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State of Global Governance 2023: Institutions, Implementation and the Governance Gap

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Executive Summary

The global governance landscape in 2023 stands at a pivotal inflection point. Spanning the analytical period from January 2020 through November 2023, this report examines the capacity of international institutions and mechanisms to address transnational challenges across twelve governance domains. The assessment reveals a multilateral system under acute strain, one in which the proliferation of normative commitments has far outpaced the institutional capacity to translate them into effective policy outcomes. The COVID-19 pandemic, the return of large-scale armed conflict to European soil, accelerating climate disruption, and the rapid emergence of transformative digital technologies have collectively exposed structural weaknesses in the architecture of global governance that incremental reform cannot address. Yet this period has also produced notable instances of institutional adaptation, from the historic expansion of the G20 to include the African Union as a permanent member to the adoption of the first multilateral framework governing artificial intelligence at the Bletchley Summit. This report employs the AUN Global Governance Capacity Index (AUN-GCI), an analytical framework measuring Governance Capacity -- defined as the ability of international institutions and mechanisms to effectively address transnational challenges -- across five weighted dimensions: Institutional Architecture (20 percent), Implementation Capacity (30 percent), Normative Coherence (20 percent), Stakeholder Participation (15 percent), and Adaptive Capacity (15 percent). Across the twelve governance domains assessed, the central finding is consistent: while Commitment -- the normative ambition and completeness of international agreements, frameworks, and declarations -- remains generally high, Implementation -- the degree to which commitments are translated into effective policies, programmes, and outcomes -- continues to lag significantly, producing a Governance Gap that constitutes the defining challenge of contemporary multilateralism.

Key Findings at a Glance

- The Governance Gap between stated Commitment and actual Implementation widened across the majority of the twelve governance domains assessed during the 2020-2023 period, driven by geopolitical fragmentation, institutional inertia, and resource constraints.

- Peace and Security governance registered the most severe deterioration, with the global conflict landscape reaching levels not seen since the early post-Cold War era; UCDP data for 2022 recorded 55 active state-based armed conflicts, including 8 wars, while total fatalities from organised violence reached approximately 237,000, underscoring the failure of preventive diplomacy mechanisms.

- Climate Change Mitigation and Environmental Governance and Biodiversity demonstrated the strongest normative advancement, culminating in the COP28 UAE Consensus adopted on 13 December 2023, which for the first time referenced a transition away from fossil fuels, though Implementation remains firmly in the Medium-Low range given the absence of binding enforcement provisions.

- Economic Governance and Financial Stability showed mixed results; while the IMF Board of Governors approved a 50 percent equiproportional increase in member quotas on 15 December 2023, strengthening the Fund's permanent resource base while leaving members' quota shares unchanged at that time, and called for further work on possible approaches to future quota realignment to better reflect changes in the world economy, the pace of governance reform at international financial institutions continues to trail the structural transformation of the world economy, where the IMF projects global growth of 3.0 percent for 2023 according to its World Economic Outlook of October 2023.

- Global Health governance exhibited significant adaptive capacity in crisis response, as demonstrated by the continued rollout of pandemic preparedness frameworks, but persistent inequities in vaccine distribution and access to medical countermeasures revealed deep structural deficiencies in the Implementation dimension.

- Digital and Technology Governance emerged as the domain with the highest rate of normative innovation, marked by the Bletchley Declaration signed on 1 November 2023 by 28 countries plus the European Union, establishing the first multilateral framework for AI safety governance, though regulatory fragmentation across jurisdictions remains a critical challenge.

- The African Union's accession to the G20 as a permanent member on 9 September 2023 represented a landmark shift toward more inclusive global economic governance, though the extent to which this translates into substantive policy influence remains to be determined.

- Human Rights and Rule of Law governance faced sustained pressure, with backsliding documented across multiple regions and the instrumentalisation of human rights mechanisms for geopolitical contestation undermining the credibility of the normative framework.

- Trade and Investment governance showed signs of reconfiguration rather than recovery, with the continued proliferation of bilateral and plurilateral agreements partially compensating for the deadlock in multilateral trade negotiations but risk fragmentation of the rules-based trading system.

- Arms Control and Non-Proliferation governance reached a critical juncture, with the erosion of longstanding bilateral arms control frameworks between major powers and the absence of comprehensive governance mechanisms for emerging weapons technologies contributing to High Commitment but Low Implementation ratings across multiple treaty regimes.

- Humanitarian Assistance and Protection, and Migration and Displacement governance domains both experienced demand surges that far exceeded institutional capacity, with record levels of forced displacement and humanitarian need exposing the inadequacy of current funding models and coordination mechanisms.

- Development Finance and Cooperation governance demonstrated High Commitment through the Addis Ababa Action Agenda follow-up processes and the SDG financing framework, but Implementation continues to be constrained by unmet official development assistance commitments, rising debt distress in developing economies, and the inadequacy of the existing international financial architecture to mobilise finance at the scale required.

- Across all twelve domains, Stakeholder Participation and Adaptive Capacity received consistently lower assessments than Normative Coherence, indicating that while the international community continues to articulate ambitious normative frameworks, the mechanisms for inclusive multistakeholder engagement and institutional learning remain underdeveloped.

The analysis presented in this report is structured across thirteen chapters. Chapter 1 establishes the analytical framework, introducing the AUN-GCI methodology, its five weighted dimensions, and the twelve governance domains that form the basis of the assessment. Chapter 2 examines the Institutional Architecture of Global Governance, assessing the structural adequacy of existing multilateral institutions against the scale and complexity of contemporary transnational challenges. Chapter 3 addresses what this report identifies as the Implementation Deficit -- the systemic failure to translate normative commitments into operational outcomes -- which represents the single most consequential finding across the assessment. Chapters 4 through 10 provide domain-specific governance assessments: Peace and Security Governance (Chapter 4) documents the alarming deterioration of the international security environment; Humanitarian Governance (Chapter 5) analyses the widening gap between humanitarian needs and response capacity; Economic Governance and Financial Stability (Chapter 6) evaluates the performance of international financial institutions and macroeconomic coordination mechanisms; Trade and Investment Governance (Chapter 7) examines the evolving architecture of international trade; Climate and Environmental Governance (Chapter 8) assesses progress under the UNFCCC, the Paris Agreement, and the Kunming-Montreal Global Biodiversity Framework; Emerging Technology Governance (Chapter 9) analyses the nascent multilateral frameworks governing artificial intelligence and other transformative technologies; and Global Health Governance (Chapter 10) evaluates the institutional response to pandemics, antimicrobial resistance, and health system strengthening. Chapter 11 examines Regional Governance Systems, analysing the comparative performance and evolving roles of regional organisations as intermediaries between national and global governance. Chapter 12 addresses The Global South and Demands for Reform, documenting the growing legitimacy crisis of existing governance arrangements and the specific reform proposals advanced by developing and emerging economies. Chapter 13 offers concluding analysis and charts the path forward, identifying priority areas for institutional reform and capacity building.

The AUN-GCI assessment methodology applies qualitative ratings across the five weighted dimensions for each of the twelve governance domains. In the Institutional Architecture dimension, the analysis evaluates the structural design, mandate adequacy, and organisational coherence of relevant institutions. Implementation Capacity, receiving the highest weight at 30 percent, assesses the resources, operational capabilities, and track record of translating commitments into measurable outcomes. Normative Coherence examines the consistency and comprehensiveness of the legal and normative framework governing each domain. Stakeholder Participation evaluates the inclusivity and effectiveness of mechanisms for engaging states, international organisations, civil society, the private sector, and affected populations. Adaptive Capacity assesses the ability of governance arrangements to learn from experience, incorporate new evidence, and respond to evolving challenges. The five weighted dimensions together produce the Composite Domain Assessment for each governance domain. Separately, and as an analytically distinct exercise, the Governance Gap Assessment evaluates each domain through two qualitative classifications -- a Commitment Assessment and an Implementation Assessment -- each rated as High, Medium, or Low. The Commitment and Implementation classifications are components of the Governance Gap analysis and are not themselves the five AUN-GCI dimensions; the relationship between the two analytical systems is described in Section 1.6 and in the Methodology Annex. Together, the Composite Domain

Assessment and the Governance Gap Assessment enable a structured comparison of governance performance across domains and over time.

Several cross-cutting themes emerge from the domain-by-domain analysis. First, geopolitical fragmentation has emerged as the most significant impediment to effective global governance, with strategic competition among major powers constraining the ability of multilateral institutions to forge consensus on issues ranging from security and arms control to trade, technology, and human rights. Second, the institutional architecture of global governance, designed largely in the aftermath of the Second World War, has not kept pace with the structural shifts in the global economy, the rise of new powers, the emergence of transnational threats, and the growing assertiveness of the Global South in demanding equitable representation. Third, the financing of global governance remains fundamentally misaligned with the scale of challenges; the UN peacekeeping budget for fiscal year 2023/24 stands at approximately $6.1 to $6.3 billion, while global military expenditure exceeds $2.2 trillion annually, and the sustainable development financing gap continues to widen. Fourth, the distinction between emergency financing and structural reform has become critically important; the IMF's $650 billion Special Drawing Rights allocation in August 2021, while significant as a liquidity injection, was a separate instrument from emergency financing and did not substitute for the governance reforms necessary to ensure a more resilient and representative international financial architecture. Fifth, the relationship between normative innovation and institutional implementation has become increasingly decoupled, with the proliferation of declarations, frameworks, and commitments outstripping the capacity and, in some cases, the political will to operationalise them.

The report also identifies several positive developments that merit recognition. The inauguration of President Lula on 1 January 2023 in Brazil brought renewed attention to global governance reform and South-South cooperation. The Bletchley Declaration on AI safety, signed by 28 countries and the European Union on 1 November 2023, demonstrated that even in a period of geopolitical tension, multilateral cooperation on rapidly evolving technological challenges remains possible. The COP28 UAE Consensus, adopted on 13 December 2023, achieved a significant normative breakthrough by referencing a transition away from fossil fuels for the first time in the history of UN climate negotiations. The African Union's accession to the G20 on 9 September 2023 addressed a long-standing demand for more inclusive global economic governance, recognising the continent's growing economic and demographic significance.

Looking ahead, this report concludes that the multilateral system faces a choice between incremental adjustment and fundamental reform. The evidence assembled across twelve governance domains and thirteen chapters suggests that incremental measures, while valuable, are insufficient to address the scale of the Governance Gap. The Implementation Deficit will not be closed without structural reforms to institutional mandates, financing mechanisms, decision-making processes, and accountability frameworks. The Global South's demands for reform -- examined in detail in Chapter 12 -- are not merely political aspirations but reflect genuine structural deficiencies that undermine the legitimacy and effectiveness of the entire multilateral system. The path forward requires a dual approach: strengthening the implementation capacity of existing institutions while simultaneously undertaking the architectural reforms necessary to ensure that global governance arrangements are fit for the challenges of the coming decade. The AUN-GCI framework, with its emphasis on both normative ambition and operational delivery, provides a structured basis for tracking progress on both fronts and holding the international community accountable for closing the Governance Gap that this report documents.

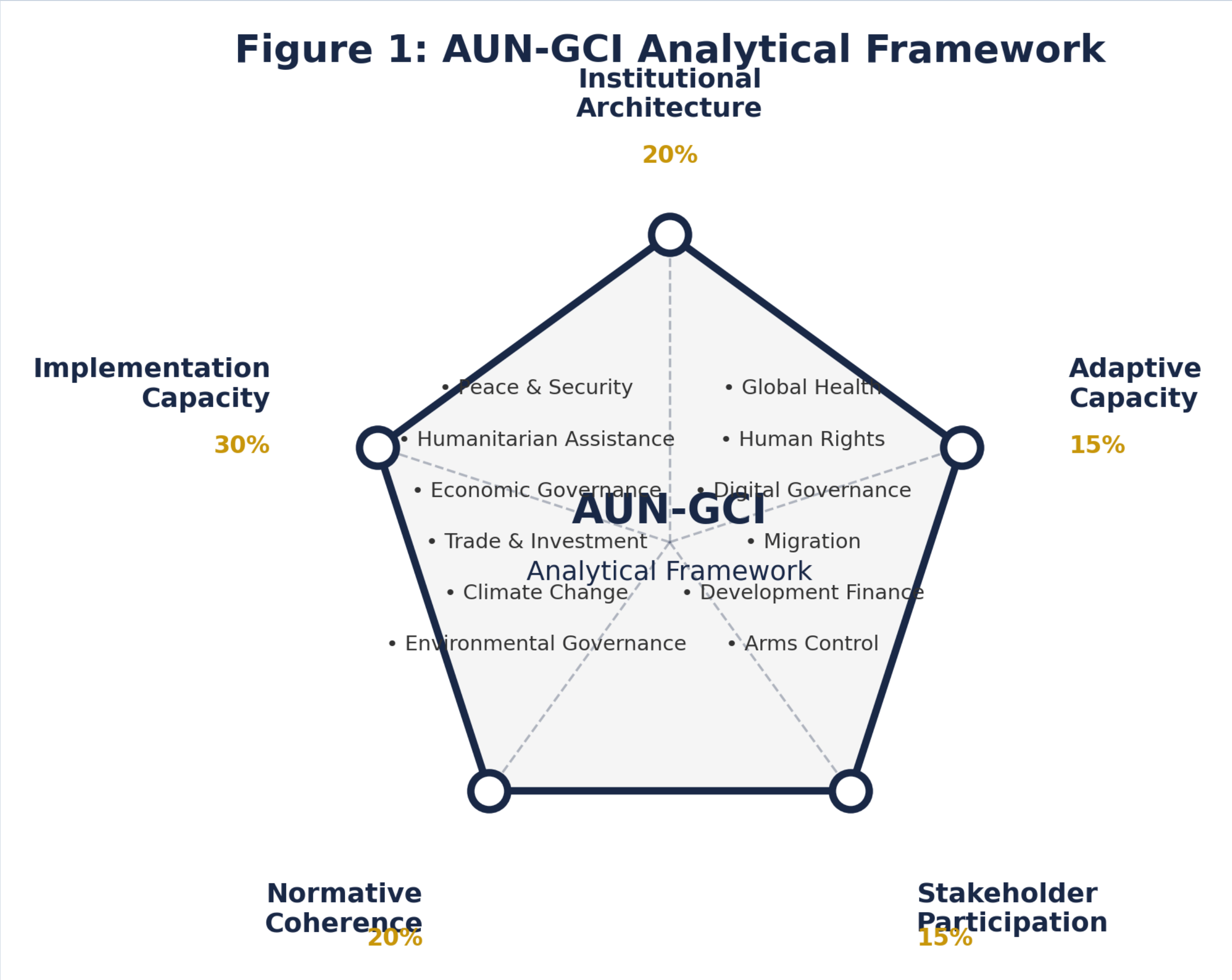

Figure 1: AUN-GCI Analytical Framework

Source: AUN framework design, 2023.

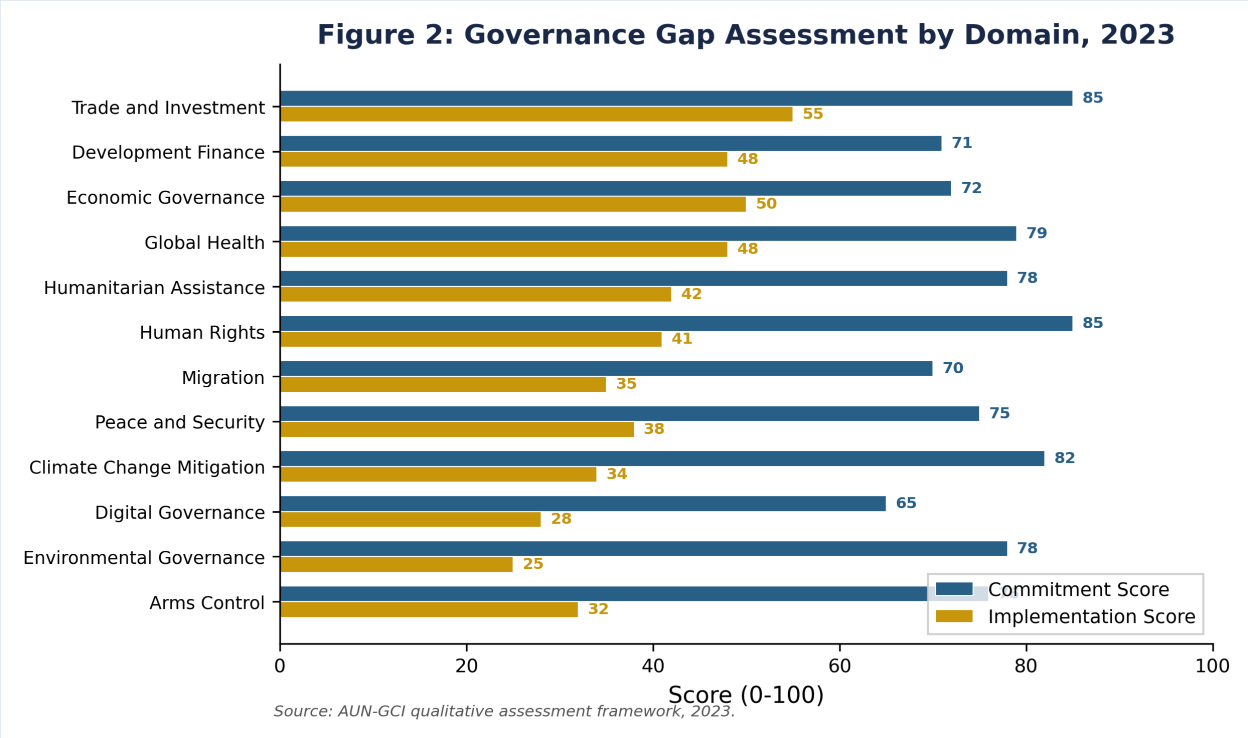

Figure 2: Governance Gap Assessment by Domain, 2023

Source: AUN-GCI qualitative assessment framework, 2023.

Chapter 1: Introduction and Analytical Framework

1.1 Purpose and Scope of This Report

This report presents the inaugural edition of the Advocacy Unified Network Global Governance Capacity Index (AUN-GCI), a comprehensive analytical framework designed to assess the capacity of multilateral institutions to address the interconnected challenges of the early twenty-first century. The analytical period under examination spans January 2020 through November 2023, a period defined by the COVID-19 pandemic, the return of major-power geopolitical contestation, accelerating climate disruption, and a cascade of humanitarian crises that have collectively tested the resilience of the multilateral order. The report is structured around twelve governance domains, ranging from peace and security to arms control and non-proliferation, each examined through the lens of institutional architecture, implementation capacity, normative coherence, stakeholder participation, and adaptive capacity. Through its composite analytical framework, which synthesises quantitative indicators and qualitative research assessment across five weighted dimensions, the AUN-GCI provides policymakers, scholars, and civil society actors with granular, actionable insights into where global governance is succeeding, where it is faltering, and where structural reform is most urgently needed [1].

The decision to launch this assessment initiative reflects a growing consensus among scholars and practitioners that traditional measures of institutional effectiveness are insufficient for capturing the complexity of contemporary global governance. Existing indices, including the World Bank's Worldwide Governance Indicators (WGI) and the Varieties of Democracy (V-Dem) project, focus primarily on domestic governance quality rather than on the performance of international institutions and transnational governance arrangements [14]. The AUN-GCI fills this analytical gap by directing attention to the multilateral system itself, evaluating not whether individual states govern well, but whether the institutional ecosystem through which states and non-state actors cooperate is fit for purpose. The report draws on data and assessments from established sources, including the World Economic Forum Global Risks Report [41], the Stockholm International Peace Research Institute (SIPRI) Yearbook [3], the UN Sustainable Development Goals Report [2], and the Freedom House Freedom in the World assessment [13], synthesizing these into a unified analytical framework.

The scope of this report is deliberately broad, reflecting the reality that global governance challenges are deeply interconnected. Climate change mitigation cannot be separated from trade policy, development finance, and humanitarian assistance. Digital governance has implications for human rights, peace and security, and economic stability. The AUN-GCI framework explicitly captures these interlinkages by assessing normative coherence across domains and by examining whether institutional arrangements facilitate or impede cross-domain coordination. At the same time, the report maintains analytical discipline by organizing its assessment around twelve clearly defined governance domains, each with its own institutional history, normative framework, and implementation landscape. This balance between breadth and specificity is essential for producing findings that are both comprehensive and practically useful for policymakers working within particular governance domains [7].

1.2 The AUN-GCI Analytical Framework

The AUN-GCI is built upon five analytical dimensions, each assigned a specific weight reflecting its relative importance to overall governance capacity. Institutional Architecture carries a weight of twenty percent and examines the formal and informal structures through which governance is conducted, including treaty regimes, intergovernmental bodies, secretariats, and coordination mechanisms. Implementation Capacity, weighted at thirty percent, constitutes the single largest component of the framework and assesses the resources, mandates, operational capabilities, and track records of institutions in translating commitments into tangible outcomes. Normative Coherence, at twenty percent, evaluates the extent to which legal frameworks, policy guidelines, and institutional mandates are mutually reinforcing rather than contradictory or duplicative. Stakeholder Participation, weighted at fifteen percent, measures the degree to which civil society, the private sector, subnational actors, and affected populations are integrated into governance processes. Finally, Adaptive Capacity, also at fifteen percent, assesses the ability of governance arrangements to learn from experience, respond to emerging challenges, and reform themselves in light of changing circumstances.

The twelve governance domains assessed under this framework encompass the full spectrum of multilateral activity. Peace and Security addresses conflict prevention, resolution, and post-conflict reconstruction. Humanitarian Assistance and Protection covers refugee protection, disaster response, and the implementation of international humanitarian law. Economic Governance and Financial

Stability examines macroeconomic coordination, financial regulation, and debt sustainability. Trade and Investment assesses the rules-based trading system, investment frameworks, and trade-related capacity building. Climate Change Mitigation evaluates international efforts to reduce greenhouse gas emissions and manage the energy transition. Environmental Governance and Biodiversity covers the conservation of ecosystems, pollution control, and the governance of natural resources beyond the climate domain. Global Health examines pandemic preparedness, health system strengthening, and access to essential medicines. Human Rights and Rule of Law assesses the international human rights regime, transitional justice, and the rule of law in international affairs. Digital and Technology Governance addresses cybersecurity, artificial intelligence regulation, data governance, and digital inclusion. Migration and Displacement examines the governance of human mobility, including labor migration, forced displacement, and integration policies. Development Finance and Cooperation covers official development assistance, multilateral development lending, and innovative financing mechanisms. Arms Control and Non-Proliferation evaluates regimes governing weapons of mass destruction, conventional arms, and emerging military technologies.

The weighted methodology reflects a deliberate judgment about the relative contributions of each dimension to effective governance. The higher weighting assigned to Implementation Capacity acknowledges that institutional design and normative commitments are of limited value if they cannot be translated into concrete action. The equal weighting of Normative Coherence and Institutional Architecture recognizes that both the structures of governance and the consistency of the rules that guide them are foundational prerequisites for effective action. The lower but still significant weight assigned to Stakeholder Participation and Adaptive Capacity reflects the recognition that inclusivity and adaptability, while essential for legitimacy and resilience, are enablers of governance rather than governance outputs themselves. This weighting scheme reflects the research team's methodological judgment regarding the relative contribution of each dimension to effective governance and remains subject to refinement in subsequent editions [14].

1.3 Methodology and Data Sources

The AUN-GCI employs a mixed-methods approach that combines quantitative indicator analysis with qualitative research assessment. The framework draws upon established, publicly available datasets and indices to ground its analysis in verifiable evidence, supplementing these with structured qualitative assessment by the research team where quantitative indicators are unavailable. The World Bank's Worldwide Governance Indicators provide baseline measures of institutional quality and regulatory effectiveness across member states, which serve as inputs for assessing the implementation environment in which multilateral institutions operate. The V-Dem dataset offers granular measures of democratic governance, civil liberties, and the integrity of electoral and deliberative processes, which inform the assessment of stakeholder participation and normative coherence [14]. Freedom House's Freedom in the World report supplies complementary assessments of political rights and civil liberties that are particularly relevant to the human rights and rule of law domain [13].

For peace and security analysis, the report relies on the Uppsala Conflict Data Program (UCDP) dataset [4], which provides systematic data on armed conflict, battle-related deaths, and conflict dynamics from 2020 through 2023. The SIPRI Yearbook [3] contributes data on military expenditure, arms transfers, peace operations, and arms control compliance. In the economic domain, the UN World Economic Situation and Prospects report [1] and the WTO Statistical Review [5] provide macroeconomic data, trade flows, and assessments of economic policy coordination. The International Energy Agency (IEA) datasets underpin the analysis of climate change mitigation and energy transition progress, while the UN Sustainable Development Goals Report [2] tracks progress across the full range of development indicators. The World Bank's World Development Report [7] provides thematic analysis relevant to development finance, migration, and institutional reform. UNCTAD's World Investment Report [42] supplies data on foreign direct investment flows, investment policy trends, and the governance of global value chains.

The qualitative component of the methodology involves structured assessments conducted by the research team through a deliberative process. The team evaluated the commitment level and implementation performance of relevant institutions for each governance domain, using a structured rubric that distinguishes between High, Medium, and Low classifications. The Commitment and Implementation classifications are components of the Governance Gap Assessment and are analytically distinct from the five AUN-GCI dimensions that produce the Composite Domain Assessment, as described in Section 1.6 and in the Methodology Annex. These qualitative assessments were then cross-referenced against the quantitative evidence to ensure consistency and to identify cases where quantitative indicators and qualitative judgment diverged. The Institute for Economics and Peace Global Peace Index [49] and the World Economic Forum Global Risks Report [41] provided additional contextual data that informed the qualitative assessments, particularly in the domains of peace and security, climate change, and digital governance. The WHO Programme Budget documentation [8] was the primary source for assessing institutional resource allocation in the global health domain.

1.4 Structure of This Report

This report is organized into thirteen chapters, each addressing a distinct aspect of global governance capacity. Following this introductory chapter, Chapter 2 examines the institutional architecture of global governance, tracing the evolution of multilateral institutions and mapping the current landscape of governance arrangements across the twelve domains. Chapter 3 introduces the concept of the governance gap, defining the distinction between commitment scores and implementation scores and presenting a domain-by-domain assessment of where the gap between ambition and delivery is widest. Chapter 4 addresses peace and security, analyzing the performance of the UN security architecture, regional organizations, and emerging security challenges. Chapter 5 examines humanitarian assistance and protection, with particular attention to the scale of displacement, the funding of humanitarian operations, and the implementation of international humanitarian law.

Chapter 6 turns to economic governance and financial stability, assessing macroeconomic policy coordination, the effectiveness of the Bretton Woods institutions, the governance of sovereign debt, and migration governance. Chapter 7 addresses trade and investment, evaluating the functioning of the multilateral trading system, the proliferation of regional trade agreements, and the governance of digital trade. Chapter 8 examines climate and environmental governance in an integrated manner, analyzing progress toward Paris Agreement commitments, the adequacy of climate finance, the governance of the energy transition, biodiversity, ocean governance, and the implementation of multilateral environmental agreements. Chapter 9 addresses emerging technology governance, analyzing evolving regimes for artificial intelligence, cybersecurity, digital connectivity, and data governance.

Chapter 10 addresses global health governance, with particular attention to pandemic preparedness, WHO reform, the equitable distribution of medical countermeasures, and antimicrobial resistance. Chapter 11 examines regional governance systems, providing comparative assessments of the European Union, the African Union, Asian and Pacific institutions, and the Pacific Islands Forum. Chapter 12 covers the Global South and demands for reform, assessing UN Security Council reform, international financial architecture reform, climate justice, and technology transfer. Chapter 13 provides a synthesis of findings across all twelve governance domains, examines the causes and consequences of the governance gap, and offers cross-cutting recommendations for institutional reform.

1.5 Limitations and Scope of the AUN-GCI

Any analytical framework that seeks to capture the complexity of global governance across twelve domains and five dimensions necessarily involves simplification and the exercise of judgment. The AUN-GCI acknowledges several important limitations. First, the framework assesses the capacity of the multilateral system as a whole rather than the performance of individual institutions in isolation. While this systems-level approach captures important interdependencies, it may obscure significant variations in performance among institutions operating within the same governance domain. Second, the qualitative assessment component, while grounded in structured methodology and cross-referenced against quantitative evidence, inevitably reflects the perspectives and potential biases of the research team. The AUN-GCI mitigates this risk through its structured assessment process and its reliance on established external datasets, but it does not claim to eliminate subjectivity entirely.

Third, the principal analytical period of January 2020 through November 2023 presents both advantages and challenges. Quantitative normalisation is predominantly based on data covering 2020-2022, with selected developments incorporated through the publication cutoff of 15 December 2023. This period encompasses several major stress tests of the multilateral system, including the COVID-19 pandemic, the Russia-Ukraine conflict, and multiple climate-related disasters, which provide rich evidence for assessing institutional performance under pressure. However, the dominance of these crisis events may skew the assessment toward highlighting failures and underperformance, potentially undervaluing the steady-state governance functions that institutions perform during less turbulent periods. Fourth, the AUN-GCI framework is inherently retrospective, assessing governance performance based on evidence that was available before the publication cutoff of 15 December 2023. It does not attempt to forecast future governance trajectories or to predict the impact of institutional reforms that were under negotiation at the time of writing.

Fifth, the framework's reliance on established external datasets introduces limitations related to the coverage, timeliness, and methodological assumptions of those sources. The Worldwide Governance Indicators, for example, are published with a lag and cover only sovereign states, not international institutions directly. The V-Dem dataset, while comprehensive in its coverage of democratic governance, does not directly measure the performance of multilateral bodies. The AUN-GCI addresses this limitation by using these datasets as contextual inputs rather than direct measures of institutional performance, supplementing them with institution-specific data from official sources. Sixth, the twelve-domain taxonomy, while broadly comprehensive, necessarily compresses some governance areas that could warrant standalone treatment. Ocean governance, for instance, is distributed across the environmental governance, trade, and climate change domains, while space governance receives limited explicit attention. Future editions may refine the domain taxonomy to address these gaps.

1.6 The Concept of the Governance Gap

The central analytical concept of the AUN-GCI is the governance gap, defined as the distance between what multilateral institutions and their member states have committed to do and what they have actually achieved in practice. This gap is operationalized through the distinction between a Commitment Assessment and an Implementation Assessment. The Commitment Assessment reflects the ambition and specificity of formal agreements, treaty obligations, institutional mandates, and political declarations adopted by states and international organizations. High commitment is characterized by clear, binding obligations with specific targets, timelines, and accountability mechanisms. Low commitment is characterized by aspirational language, voluntary guidelines, and the absence of enforcement provisions. The Implementation Assessment, by contrast, reflects the extent to which these commitments have been translated into tangible outcomes on the ground, including changes in state behavior, the mobilization and deployment of resources, the achievement of agreed targets, and the delivery of services to affected populations [2].

The governance gap is assessed using qualitative classifications that are analytically distinct from the AUN-GCI composite domain assessments described in the Methodology Annex. The research team evaluates both commitment and implementation along a three-point scale of High, Medium, and Low for each of the twelve governance domains. This approach reflects the judgment that the reduction of complex governance dynamics to a single number risks creating a false impression of precision and may obscure the structural, political, and institutional factors that drive implementation success or failure. The qualitative assessment is informed by quantitative evidence, including treaty ratification data, budget allocation figures, outcome indicators from established monitoring frameworks, and survey data from affected populations and stakeholders. Where quantitative evidence and qualitative assessment diverge, the divergence itself becomes an important analytical finding, pointing to potential measurement gaps or to areas where the narrative of institutional performance differs from the empirical reality [14].

The governance gap framework draws on a substantial body of scholarship on international regime effectiveness and institutional design. Scholars including Oran Young, Robert Keohane, and others have long noted that the existence of international institutions does not guarantee effective collective action, and that the gap between institutional mandates and actual performance varies widely across issue areas and over time. The AUN-GCI contributes to this literature by providing a systematic, comparative assessment of the governance gap across twelve domains during a period of exceptional stress for the multilateral system. The assessment reveals that the governance gap is not uniform: some domains, such as humanitarian assistance, exhibit high commitment alongside medium implementation, suggesting that the primary challenge lies in operational capacity rather than political will. Other domains, such as arms control and non-proliferation, exhibit a narrowing of both commitment and implementation, reflecting a broader erosion of the normative and institutional foundations of the regime. Understanding these variations is essential for designing targeted reforms that address the specific drivers of implementation failure in each domain [3].

The governance gap concept also serves an important communicative function. By making the distance between commitment and implementation visible and comparable across domains, the AUN-GCI provides a common analytical language that policymakers, civil society advocates, and scholars can use to diagnose governance failures and advocate for reform. The concept avoids the temptation to assign blame to individual actors or institutions and instead directs attention to the systemic factors, including resource constraints, coordination failures, normative inconsistencies, and political obstacles, that collectively determine whether multilateral commitments are fulfilled. This systemic perspective is particularly important in a period characterized by geopolitical polarization, where the temptation to attribute governance failures to the malfeasance of specific states can undermine the cooperative spirit on which effective multilateralism depends [41].

Key Definitions

The following definitions establish the authoritative terminology used throughout this report and its accompanying Methodology Annex. These terms are not used interchangeably.

AUN-GCI: The Advocacy Unified Network Global Governance Capacity Index. A mixed-methods composite analytical framework designed to assess the capacity of the international system to govern across twelve policy domains. The AUN-GCI integrates quantitative indicator analysis with qualitative research assessment across five weighted dimensions: Institutional Architecture, Implementation Capacity, Normative Coherence, Stakeholder Participation, and Adaptive Capacity.

Dimension Assessment: The evaluation of a single governance domain along one of the five AUN-GCI analytical dimensions. Each dimension assessment draws on available quantitative indicators, normalised to a 0 to 100 scale, supplemented by structured qualitative assessment by the research team where quantitative data are unavailable. Dimension assessments are the building blocks of the composite domain assessment.

> **Composite Domain Assessment: The synthesis of the five dimension assessments into a single composite score for each governance domain, calculated using the weighted aggregation formula: Composite = 0.20 IA + 0.30 IC + 0.20 NC + 0.15 SP + 0.15 AC. Because the inaugural edition relies substantially on qualitative research assessment, these composite scores are interpreted cautiously as**

> **indicative of relative governance capacity patterns rather than as precise, fully reproducible measurements.**

Commitment Assessment: A qualitative classification of the ambition, specificity, and legal character of formal commitments adopted by states and international organisations in each governance domain. Assessments are made on a three-point scale: High (binding obligations with specific targets, timelines, and verification mechanisms), Medium (political commitments or framework agreements lacking binding force), and Low (ad hoc arrangements or the absence of formal agreements). The Commitment Assessment is a component of the Governance Gap analysis and is analytically distinct from the composite domain scoring described above.

Implementation Assessment: A qualitative classification of the extent to which formal commitments have been translated into tangible outcomes, including changes in state behaviour, resource mobilisation, achievement of agreed targets, and delivery of services. Assessed on the same three-point scale as the Commitment Assessment (High, Medium, Low), the Implementation Assessment captures observable performance rather than institutional design or normative ambition. Like the Commitment Assessment, it is a component of the Governance Gap analysis and is analytically distinct from the composite domain scoring.

Governance Gap: The distance between Commitment Assessment and Implementation Assessment for a given governance domain. The Governance Gap is the central diagnostic concept of the AUN-GCI and is assessed qualitatively. It is analytically distinct from the composite domain assessments described in the Methodology Annex: while the composite scores provide a structured quantitative synthesis of governance capacity across five dimensions, the Governance Gap focuses specifically on the relationship between what has been committed and what has been achieved.

Chapter 2: The Institutional Architecture of Global Governance

2.1 The Evolution of Multilateral Institutions

The institutional architecture of global governance has been shaped by a succession of historical inflection points, each leaving a distinct imprint on the structure, mandate, and legitimacy of multilateral arrangements. The Congress of Vienna (1815) established early precedents for great-power concert and diplomatic conference as mechanisms of international order, but it was the devastation of two world wars that catalyzed the creation of the comprehensive institutional framework that persists into the present century. The League of Nations, established in 1919, represented the first systematic attempt to create a permanent multilateral institution for conflict resolution and collective security, though its structural weaknesses, including the absence of the United States and the lack of an enforcement mechanism, severely limited its effectiveness. The United Nations, founded in 1945, absorbed the lessons of the League's failure by establishing a more robust institutional architecture, including the Security Council with binding enforcement authority, a specialized agency system for functional cooperation, and the General Assembly as a universal deliberative forum [3].

The post-1945 institutional order was complemented by the Bretton Woods institutions, the International Monetary Fund and the World Bank, which were designed to address the economic and financial disorders that had contributed to the collapse of the 1930s and the rise of protectionism and political extremism. The General Agreement on Tariffs and Trade (GATT), established in 1947, provided the institutional foundation for the progressive liberalization of international trade, eventually evolving into the World Trade Organization in 1995. Together, these institutions constituted what has been termed the post-war liberal international order, a system of rules, institutions, and norms designed to facilitate cooperation among states, manage economic interdependence, and prevent the return of catastrophic conflict. The period from 1945 to the early 1990s was characterized by the incremental expansion and consolidation of this institutional architecture, albeit within the constraints imposed by Cold War bipolarity [7].

The end of the Cold War inaugurated a period of rapid institutional expansion and normative ambition. The 1992 Earth Summit in Rio de Janeiro produced multilateral environmental agreements on climate change and biodiversity, adding new institutional layers to the governance architecture. The 1990s and early 2000s saw the establishment of the World Trade Organization, the International Criminal Court, the African Union, and a proliferation of regional organizations and informal governance mechanisms, including the G20, which was elevated to leaders' level in 2008 in response to the global financial crisis. This expansion reflected both the growing complexity of transnational challenges and the conviction, widely shared among policymakers and scholars, that multilateral institutions were essential for managing an increasingly interconnected world [1].

The period from 2020 to 2023, which forms the primary analytical window of this report, has subjected this institutional architecture to its most severe stress test since the end of the Cold War. The COVID-19 pandemic exposed fundamental weaknesses in global health governance, supply chain resilience, and the capacity of international institutions to coordinate responses to a genuinely global crisis. The return of large-scale interstate conflict, most notably the Russia-Ukraine war that commenced in February 2022, tested the UN security architecture and revealed deep divisions among the permanent members of the Security Council. Accelerating climate impacts, including record-breaking temperatures, extreme weather events, and biodiversity loss, challenged the adequacy of existing environmental governance arrangements. These concurrent crises have generated a growing body of literature and policy debate on the need for institutional reform, ranging from incremental adjustments to existing bodies to more ambitious proposals for new institutional arrangements [41].

2.2 The United Nations System

The United Nations system constitutes the most comprehensive institutional framework in global governance, encompassing the central UN organs, specialized agencies, programs, funds, and related organizations. The General Assembly, with its universal membership of 193 member states, serves as the principal deliberative and policy-making body, adopting resolutions that express the collective will of the international community on a wide range of issues. While General Assembly resolutions are not legally binding, they carry significant normative weight and have been instrumental in establishing international standards, launching negotiating processes, and providing mandates for new institutional arrangements. The Security Council, by contrast, possesses binding authority under Chapter VII of the UN Charter, including the power to authorize sanctions, establish peace operations, and authorize the use of force. The effectiveness of the Security Council is, however, constrained by the veto power of its five permanent members, which has been a persistent source of contestation and, during the analytical period, a significant impediment to collective action on major crises [3].

The UN Secretariat, headed by the Secretary-General, provides administrative, analytical, and convening functions that are essential to the functioning of the broader system. The Secretariat's capacity to fulfill its mandate is directly tied to the resources allocated through the UN regular budget and assessed contributions for peacekeeping. For the 2023 approved regular budget, the General Assembly had appropriated approximately $3.39 billion, providing the financial foundation for the Secretariat's core operations across its headquarters, regional commissions, and country offices. The UN peacekeeping budget for the fiscal year 2023/24 was approved at approximately $6.1 billion, reflecting the scale and complexity of ongoing peace operations across multiple continents. These budgetary figures represent the resource envelope within which the UN system must operate, and their adequacy is a central concern in assessing implementation capacity [3].

Beyond the central organs, the UN system includes a constellation of specialized agencies, programs, and funds, each with its own governing body, budget, and mandate. The World Health Organization (WHO) is the lead institution for global health governance, with a 2022-2023 programme budget of approximately $6.72 billion funded through a combination of assessed and voluntary contributions [8]. The United Nations High Commissioner for Refugees (UNHCR), the World Food Programme (WFP), the United Nations Children's Fund (UNICEF), and the United Nations Development Programme (UNDP) are among the most operationally significant UN entities, collectively delivering humanitarian assistance, development support, and protection services in some of the world's most challenging environments. The proliferation of these entities, while reflecting the breadth of the UN's mandate, has also created coordination challenges that the UN development system reform agenda, launched in 2018, has sought to address through the establishment of resident coordinator systems and strengthened country-level coordination mechanisms [2].

2.3 The Bretton Woods Institutions and the G20

The International Monetary Fund and the World Bank Group occupy a central position in the governance of the global economy, with mandates that encompass macroeconomic surveillance, financial stability, development financing, and policy advice. The IMF's role as the principal international mechanism for macroeconomic policy coordination has been tested repeatedly during the analytical period, first by the economic disruption caused by the COVID-19 pandemic and subsequently by the inflationary pressures, food and energy price shocks, and debt sustainability concerns triggered by the Russia-Ukraine conflict. In response to the pandemic, the IMF deployed approximately $650 billion in Special Drawing Rights (SDR) allocations in August 2021, a landmark action designed to boost global liquidity and support the reserves of member states, particularly developing countries facing balance-of-payments pressures. This SDR allocation was a distinct and separate mechanism from the IMF's emergency financing facilities, which provided additional concessional and non-concessional lending to member states during the crisis [1].

Updated through 15 December 2023: the IMF Board of Governors approved a 50 percent equiproportional increase in member quotas on the publication date, following a recommendation from the Executive Board dated 7 November 2023, strengthening the Fund's permanent resource base while leaving members' quota shares unchanged at that time. This quota increase, the first in over a decade, was designed to enhance the financial capacity of the Fund. The decision also called for further work on possible approaches to future quota realignment to better reflect changes in the world economy, though its practical impact will depend on the speed of national ratification processes. The broader question of IMF governance reform, including the composition and voting power of the Executive Board, remains a subject of ongoing negotiation, reflecting persistent concerns among developing countries about the underrepresentation of emerging economies in the Fund's decision-making structures [7].

The World Bank Group, comprising the International Bank for Reconstruction and Development (IBRD), the International Development Association (IDA), the International Finance Corporation (IFC), and other entities, is the largest source of development finance globally. The 2023 World Development Report, focused on the theme of migrants, refugees, and societies, highlighted the intersection of development policy with migration governance, an area that the AUN-GCI examines as a distinct domain [7]. The World Bank's lending commitments have grown significantly during the analytical period, driven by the pandemic response, climate finance demands, and the compounding effects of food, energy, and debt crises on developing countries. However, the adequacy and conditionality of World Bank lending, the balance between investment lending and policy-based operations, and the institution's responsiveness to the priorities of borrowing countries remain subjects of significant debate [42].

The G20 has emerged as an important informal governance mechanism that complements the formal Bretton Woods architecture. Established as a finance ministers' forum in 1999 and elevated to leaders' level in 2008, the G20 brings together the world's largest advanced and emerging economies, collectively representing approximately eighty percent of global economic output. During the analytical period, the G20 has served as a platform for coordinating macroeconomic policy responses to the pandemic, advancing discussions on international tax reform, and addressing debt sustainability concerns through the Common Framework for Debt Treatments. However, the G20's effectiveness has been uneven, constrained by internal divisions, the absence of a permanent secretariat, and the non-binding character of its commitments. The polarization of G20 deliberations, particularly following the Russia-Ukraine conflict, has raised questions about the forum's capacity to serve as a credible vehicle for collective economic governance [1].

2.4 Mapping the Governance Architecture: Key Institutions and Mandates

The institutional landscape of global governance is characterized by significant complexity, with multiple institutions often operating in the same policy space and with varying degrees of mandate overlap, coordination, and hierarchy. Understanding this landscape requires a systematic mapping of the key institutions, their governance domains, their budgetary resources, and the nature of their mandates. The following table provides a structured overview of the principal institutions operating across the twelve governance domains assessed by the AUN-GCI. It is important to note that budgetary figures must be interpreted in light of the distinct nature of different budget types. Assessed budgets, funded through mandatory contributions from member states, provide a relatively stable and predictable resource base. Voluntary contributions, by contrast, are often earmarked for specific purposes and can fluctuate significantly from year to year, creating uncertainty for institutional planning and implementation. Peacekeeping budgets are funded through a separate assessment scale that differs from the regular budget scale. The budget figures presented below reflect approved levels for the most recent fiscal year available before the 15 December 2023 publication cutoff, with sources clearly identified [1][3][8].

Institution	Year Est.	Primary Mandate	Members	Budget (Type, Year)	Budget Amount (USD)
United Nations System	1945	Norm-setting, deliberation, regular budget approval	193	UN Regular Budget (2023)	$3.39 billion
United Nations Peacekeeping Operations	1945	Peacekeeping operations mandated by the UN Security Council	via UN system (193)	Peacekeeping Budget (FY2023/24)	$6.1 billion
UNFCCC	1992	Climate change cooperation	198	Core budget (2023)	$89 million
IMF	1944	Monetary stability, crisis lending	190	Administrative budget (FY2023)	$1.8 billion
World Bank Group	1944	Development finance	189	Lending volume (FY2023)	$28.7 billion
WTO	1995	Trade rules and dispute settlement	164	Regular budget (2023)	$317 million
WHO	1948	Global health coordination	194	Programme budget (2024-25)	$6.83 billion

Gavi, the Vaccine Alliance	2000	Immunisation in low-income countries	57 (donors)	Programme budget (2023)	$4.8 billion
Green Climate Fund	2010	Climate finance for developing countries	195 (parties)	Pledges (2nd replenishment)	$12.8 billion

Table 1: Mapping the Governance Architecture: Key Institutions and Mandates. Note: Budget figures are not directly comparable across institution types. Regular/administrative budgets fund operations; programme budgets include implementation activities; lending volumes represent committed financing, not institutional expenditure. Sources: [3][5][8][9][30][45].

The institutions mapped in this table represent the core of the multilateral governance architecture, though they do not exhaust the full range of governance arrangements. Regional organizations, including the African Union, the European Union, the Association of Southeast Asian Nations, and the Organization of American States, play increasingly significant roles in areas such as peace and security, trade, and migration governance, and their interactions with global institutions form an important dimension of the overall governance architecture. Informal governance mechanisms, including the G7, the BRICS grouping, and various minilateral coalitions, have also grown in prominence during the analytical period, sometimes complementing and sometimes competing with formal multilateral institutions. The relationships among these various institutional forms, and their collective capacity to deliver on governance commitments, are central concerns of the AUN-GCI assessment [49].

2.5 Institutional Proliferation and Coordination Challenges

One of the defining features of the contemporary governance architecture is the sheer proliferation of institutions, frameworks, and mechanisms that have been established to address transnational challenges. This proliferation reflects both the growing complexity of global governance challenges and the tendency of states to create new institutions rather than reform existing ones when faced with perceived governance gaps. The result is a dense and often bewildering institutional landscape in which multiple institutions with overlapping mandates compete for resources, attention, and political authority. While institutional diversity can be beneficial, promoting innovation, experimentation, and the matching of institutional forms to specific problem structures, it can also generate fragmentation, duplication, and coordination failures that undermine implementation effectiveness [7].

The challenge of coordination is particularly acute in domains such as climate change, where the UNFCCC, the Green Climate Fund, the Global Environment Facility, the Adaptation Fund, and numerous bilateral and multilateral climate finance mechanisms all operate within the same broad governance space. In the humanitarian domain, the cluster approach introduced following the 2005 Humanitarian Reform has improved coordination among operational agencies, but the persistent gap between humanitarian needs and available resources, which grew dramatically during the analytical period, has tested the system's capacity to deliver coordinated and effective assistance. The proliferation of peace and security mechanisms, including UN peacekeeping, regional peace operations, ad hoc coalitions, and counterterrorism frameworks, has created similar coordination challenges, with the risk that mandates may conflict, resources may be duplicated, and accountability may be diluted [3].

Efforts to improve coordination have taken various forms. The UN High-Level Political Forum on Sustainable Development provides an annual platform for reviewing progress across the full range of sustainable development goals, offering a potential coordination mechanism for the many institutions whose mandates touch on development issues. The Inter-Agency Standing Committee coordinates humanitarian action among UN and non-UN entities. The G20's various working groups and ministerial meetings provide informal coordination mechanisms for economic governance. However, these coordination mechanisms are themselves layered on top of an already complex institutional landscape, raising the question of whether the governance system suffers not from a lack of coordination mechanisms but from a surfeit of institutions and processes that collectively exceed the absorptive capacity of the system and its member states [2].

2.6 The G7 and Informal Governance Mechanisms

The Group of Seven (G7), comprising Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States, has historically served as a platform for coordination among advanced industrial democracies on economic, security, and development issues. During the analytical period, the G7 has taken on heightened significance as a mechanism for coordinating responses to the Russia-Ukraine conflict, advancing sanctions regimes, mobilizing support for Ukraine's reconstruction, and promoting alternative supply chain arrangements in strategic sectors. The G7's 2023 Hiroshima Summit produced commitments on economic security, climate and energy, global health infrastructure, and gender equality, among other issues, reflecting the broadening of the group's agenda beyond its traditional economic focus [1].

However, the G7's role in global governance raises important questions about legitimacy and representativeness. The group's membership is limited to a small number of advanced economies, excluding not only major emerging powers such as China and India but also the vast majority of developing countries in Africa, Asia, and Latin America whose interests are directly affected by G7 decisions. This representativeness deficit has become more salient as the G7 has taken on issues, such as sanctions enforcement, climate finance, and global health, that have significant implications for non-member states. The G7 has sought to address legitimacy concerns through outreach to invited partners and through the articulation of its commitments in universalist language, but these measures have not fully resolved the tension between the G7's role as an effective coordination mechanism among like-minded states and its claim to advance the interests of the broader international community [41].

Beyond the G7 and G20, a range of other informal governance mechanisms has proliferated during the analytical period. The BRICS grouping, which expanded its membership in 2023, has positioned itself as an alternative platform for economic and political coordination among emerging economies, with growing attention to issues such as de-dollarization, development finance, and reform of the

Bretton Woods institutions. Various minilateral coalitions, including the Quad (United States, Japan, India, Australia), the Minerals Security Partnership, and the First Movers Coalition for hard-to-abate sectors, have emerged to address specific governance challenges in areas such as supply chain resilience, clean energy transition, and technology governance. These informal mechanisms offer advantages in terms of agility and political alignment, but they also risk fragmenting the governance landscape and creating parallel structures that lack the legitimacy and inclusivity of formal multilateral institutions [42].

2.7 Civil Society and Non-State Actors

Civil society organizations (CSOs), non-governmental organizations (NGOs), and other non-state actors have become integral participants in the global governance architecture, contributing expertise, mobilizing public engagement, monitoring implementation, and holding institutions accountable. The AUN-GCI framework explicitly recognizes stakeholder participation as one of its five analytical dimensions, reflecting the recognition that governance effectiveness depends not only on the quality of institutional design and the adequacy of resources but also on the breadth and depth of participation in governance processes. The analytical period has seen both significant contributions from civil society and growing challenges to civic space, with Freedom House documenting the seventeenth consecutive year of decline in global freedom in 2023 [13].

In the humanitarian domain, CSOs and NGOs are often the primary deliverers of assistance and protection, particularly in conflict-affected environments where UN agencies and international organizations face access constraints. In the human rights domain, civil society organizations play a critical role in monitoring compliance with international human rights standards, documenting violations, and advocating for accountability. In the environmental domain, CSOs have been instrumental in advancing multilateral environmental negotiations, from the Paris Agreement to the Kunming-Montreal Global Biodiversity Framework, and in monitoring implementation at the national and local levels. The engagement of civil society in these domains reflects a broader trend toward the pluralization of global governance, in which authority and agency are distributed among states, international organizations, and a diverse array of non-state actors [14].

However, the analytical period has also witnessed significant restrictions on civic space in many countries, with governments imposing legal and administrative barriers to CSO operations, restricting freedom of expression and assembly, and targeting human rights defenders and journalists. The V-Dem 2023 report documented a continued pattern of democratic erosion globally, with declines in civil society participation and the shrinking of the space available for civic engagement [14]. These restrictions have direct implications for the effectiveness of global governance, as they limit the capacity of civil society to contribute to monitoring, accountability, and implementation. The AUN-GCI assessment of stakeholder participation across the twelve governance domains reflects these dynamics, with significant variation in the degree to which civil society is able to engage meaningfully in governance processes.

2.8 Multilateral Environmental Agreements

The governance of the global environment is distributed across a complex web of multilateral environmental agreements (MEAs), each establishing its own institutional framework, reporting requirements, and compliance mechanisms. The United Nations Framework Convention on Climate Change (UNFCCC), with its 1992 founding convention, the 1997 Kyoto Protocol, and the 2015 Paris Agreement, constitutes the most prominent and politically salient of these agreements, but it operates alongside the Convention on Biological Diversity (CBD), the United Nations Convention to Combat Desertification (UNCCD), the Basel Convention on transboundary waste, the Stockholm Convention on persistent organic pollutants, and the Minamata Convention on mercury, among many others. Each of these agreements has its own Conference of the Parties, secretariat, and financial mechanism, creating a dense institutional landscape that poses significant coordination challenges [2].

The period from 2020 to 2023 has been a pivotal one for multilateral environmental governance. The 26th and 27th sessions of the UNFCCC Conference of the Parties (COP26 in Glasgow, 2021, and COP27 in Sharm el-Sheikh, 2022) addressed critical issues including the operationalization of Article 6 on carbon markets, the establishment of a loss and damage fund, and the scaling up of climate finance toward the $100 billion annual target. The 15th Conference of the Parties to the Convention on Biological Diversity (COP15), held in Montreal in December 2022, adopted the Kunming-Montreal Global Biodiversity Framework, which set ambitious targets for the conservation and sustainable use of biodiversity through 2030. These negotiations demonstrated both the continued relevance of multilateral environmental agreements as platforms for collective action and the persistent challenges of securing ambitious commitments and ensuring their implementation [2].

The fragmentation of the environmental governance architecture has significant implications for implementation effectiveness. States face substantial reporting burdens as they are required to submit national reports, implementation plans, and review documentation to multiple MEA secretariats, often with overlapping or inconsistent requirements. The lack of a unified institutional framework for addressing the climate-biodiversity-land nexus means that policies adopted under one agreement may undermine objectives under another, as when climate mitigation measures such as bioenergy production contribute to deforestation and biodiversity loss. Efforts to enhance synergy among MEAs, including through joint work programs and coordinated national reporting, have made progress but remain insufficient to address the full extent of institutional fragmentation. The AUN-GCI assessment of normative coherence across the environmental governance and climate change mitigation domains reflects these challenges [41].

2.9 The Role of the Private Sector in Global Governance

The private sector has become an increasingly influential actor in global governance, both as a subject of regulation and as a participant in governance processes. The scale of private financial flows, which dwarf official development assistance by an order of magnitude, gives the private sector a decisive influence on outcomes across multiple governance domains, including development finance, climate mitigation, and trade and investment. The total value of global foreign direct investment flows, while fluctuating during the analytical period, has consistently exceeded $1 trillion annually, compared to official development assistance of approximately $200 billion per year [42].

Private sector supply chain decisions determine the distributional consequences of trade and investment policies. Corporate research and development drives innovation in clean energy, digital technologies, and pharmaceutical products, with direct implications for governance outcomes in the climate, health, and technology domains.

The engagement of the private sector in multilateral governance processes has taken various forms. Public-private partnerships have been established to address infrastructure gaps, deliver health services, and promote sustainable agriculture. Multi-stakeholder initiatives, such as the Global Compact, the Extractive Industries Transparency Initiative, and the Science Based Targets initiative, have created voluntary frameworks for corporate engagement with governance objectives. The UNFCCC process has actively sought to mobilize private climate finance through mechanisms such as the Marrakech Partnership and the Glasgow Financial Alliance for Net Zero. The WHO has engaged with pharmaceutical companies on access to medicines and pandemic preparedness, though these engagements have been marked by significant tension over intellectual property, pricing, and equitable distribution [8].

The growing role of the private sector in governance raises important questions about accountability, legitimacy, and the balance between public and private interests. Corporate lobbying and influence over regulatory processes can undermine the public interest objectives that governance institutions are designed to serve. The concentration of market power in a small number of technology corporations, pharmaceutical companies, and financial institutions gives these actors a capacity to shape governance outcomes that is disproportionate to their formal role in the governance architecture. The AUN-GCI framework addresses these dynamics through its assessment of stakeholder participation, which examines not only the inclusion of civil society but also the role of the private sector in governance processes and the adequacy of regulatory frameworks for ensuring that private sector participation serves rather than undermines public governance objectives [7].

Chapter 3: The Implementation Deficit

3.1 Defining and Measuring the Governance Gap

The governance gap, as introduced in Chapter 1, is the central diagnostic concept of the AUN-GCI. It is defined as the distance between the commitments that states and international institutions have formally adopted and the tangible outcomes that have been achieved in practice. This gap is not a novel observation; scholars of international relations have long recognized that the existence of international agreements and institutional mandates does not guarantee their effective implementation. What the AUN-GCI adds to this literature is a systematic, comparative assessment of the governance gap across twelve distinct governance domains during a defined analytical period, enabling the identification of patterns, outliers, and structural factors that explain variation in implementation performance.

The operationalization of the governance gap in the AUN-GCI relies on the distinction between a Commitment Assessment and an Implementation Assessment, each assessed on a qualitative three-point scale of high, medium, and low. The Commitment Assessment captures the ambition, specificity, and legal character of the formal commitments that states and institutions have adopted in each governance domain. High commitment is assigned where binding legal obligations exist with specific targets, timelines, verification mechanisms, and clear accountability provisions. Medium commitment is assigned where political commitments, framework agreements, or voluntary guidelines provide directional guidance but lack binding force or specific implementation requirements. Low commitment is assigned where governance is characterized by ad hoc arrangements, the absence of formal agreements, or the explicit rejection of multilateral obligations by key actors. The Implementation Assessment, by contrast, assesses the extent to which commitments have been translated into measurable outcomes, including changes in state behavior, the mobilization and deployment of resources, the achievement of agreed targets, and the delivery of services and protection to affected populations [2].

Because the inaugural edition relies substantially on qualitative research assessment alongside incomplete quantitative coverage, the governance gap classifications are presented as indicative of relative governance capacity patterns rather than as precise, fully reproducible measurements. The qualitative assessment is grounded in structured evaluation by the research team, cross-referenced against quantitative evidence from established datasets and official monitoring frameworks. The qualitative scale of high, medium, and low is chosen for its capacity to convey meaningful distinctions, while the composite domain assessments in the Methodology Annex provide additional quantitative structure where data permits [14].

The measurement of the governance gap also requires attention to the time dimension. Implementation of multilateral commitments is rarely instantaneous; it requires the development of national implementation plans, the enactment of domestic legislation, the allocation of budgetary resources, the establishment of institutional mechanisms, and the sustained application of policies over time. The AUN-GCI analytical period of January 2020 through November 2023 captures a significant portion of the implementation timeline for commitments adopted in the late 2010s, including the Paris Agreement's initial implementation phase, the early years of the 2030 Agenda for Sustainable Development, and the operationalization of various multilateral environmental agreements. However, some commitments adopted near the end of the analytical period, such as the Kunming-Montreal Global Biodiversity Framework adopted in December 2022, had insufficient time to demonstrate meaningful implementation progress, and their assessment reflects this temporal constraint [2].

3.2 Root Causes of Implementation Failure

The governance gap is the product of multiple, often interacting, causal factors that operate at different levels of the governance system. At the political level, implementation failure frequently stems from a deficit of political will, where states adopt ambitious commitments in multilateral forums but are unwilling or unable to make the domestic political adjustments necessary for implementation. This may reflect the absence of domestic constituencies that support implementation, the influence of vested interests that oppose regulatory or fiscal measures required for compliance, or the prioritization of short-term political considerations over long-term governance objectives. The AUN-

GCI assessment of the climate change mitigation domain, for example, reveals a pattern of high commitment at the international level, as reflected in the Paris Agreement's temperature targets and nationally determined contributions, alongside implementation performance that falls significantly short of what is required to achieve those targets [2].

At the institutional level, implementation failure often results from structural weaknesses in the design and resourcing of multilateral institutions. Many institutions operate with mandates that exceed their financial and human resources, creating a structural implementation deficit that cannot be resolved through improved political will alone. The WHO, for instance, operates with a biennial programme budget that represents a small fraction of global health expenditure, limiting its capacity to provide the normative guidance, technical assistance, and coordination functions that its member states expect of it [8]. Similarly, UN peacekeeping operations are constrained by the approved budgetary envelope, which at approximately $6.1 billion for FY2023/24 must cover operations spanning multiple continents and conflict zones. Resource constraints are compounded by institutional rigidities, including procurement regulations, recruitment processes, and decision-making procedures that can impede the rapid deployment and flexible adaptation that effective implementation often requires [3].

At the systemic level, implementation failure is driven by governance challenges that transcend any single institution or domain. The fragmentation of the institutional architecture, discussed in Chapter 2, creates coordination failures that undermine implementation. The normative incoherence that results when commitments in one domain conflict with policies or commitments in another, such as when trade liberalization measures undermine environmental protection or when security cooperation arrangements compromise human rights standards, generates implementation contradictions that states and institutions struggle to resolve. The erosion of the rules-based international order, driven by geopolitical competition and the growing willingness of powerful states to act unilaterally, undermines the normative and institutional foundations on which multilateral implementation depends. These systemic factors are not easily addressed through institutional reform alone; they require changes in the political and strategic calculations of the states that are the primary architects and beneficiaries of the multilateral system [41].

The proliferation of commitments itself contributes to implementation failure. As states adopt an ever-growing number of multilateral commitments across an expanding range of domains, the capacity of national governments and international secretariats to implement all of them simultaneously is strained. This phenomenon, sometimes described as commitment overload, is particularly acute for developing countries with limited administrative capacity, which face demands to implement commitments on trade liberalization, environmental protection, human rights, anti-corruption, and financial regulation simultaneously, often with inadequate financial and technical support. The AUN-GCI assessment reflects this dynamic, with implementation gaps tending to be wider in domains that impose significant compliance costs on developing countries and where international support for capacity building has been insufficient [7].

3.3 The Implementation Gap in Historical Perspective

The governance gap is not a new phenomenon. Historically, the distance between multilateral commitments and implementation outcomes has been a persistent feature of the international system, though its magnitude and distribution have varied across periods and domains. The League of Nations represented perhaps the most dramatic historical example of institutional failure, where the gap between the institution's ambitious security mandate and its capacity to prevent aggression contributed to its collapse and the outbreak of the Second World War. The early decades of the United Nations were marked by a significant implementation gap in the decolonization and self-determination domain, where the Universal Declaration of Human Rights and the UN Charter's provisions on self-determination coexisted with the continued colonial rule of European powers over much of Africa and Asia [3].

The Cold War period was characterized by significant implementation gaps in the security and arms control domains, where the bipolar structure of international politics constrained the capacity of multilateral institutions to address conflicts and regulate military competition. The UN Security Council was paralyzed by great-power vetoes on numerous occasions, and arms control negotiations were conducted primarily through bilateral channels rather than multilateral institutions. The end of the Cold War raised expectations that the governance gap would narrow, as the removal of ideological polarization created conditions for more effective multilateral cooperation. The 1990s saw significant achievements, including the expansion of UN peacekeeping, the establishment of the International Criminal Court, and the adoption of major multilateral environmental agreements, though implementation performance was uneven even during this period of relative international harmony [49].

The early twenty-first century has been characterized by a widening of the governance gap in several domains, driven by the growing complexity of transnational challenges, the erosion of the rules-based order, and the inadequacy of institutional reforms to keep pace with changing circumstances. The 2008 global financial crisis exposed significant weaknesses in the governance of the international financial system, leading to the establishment of the Financial Stability Board and the elevation of the G20, but subsequent assessments have questioned the extent to which these institutional innovations have translated into improved financial stability outcomes. The COVID-19 pandemic represented the most severe test of global governance capacity in decades, and the governance gap in the global health domain, particularly regarding equitable access to vaccines, diagnostics, and therapeutics, was starkly revealed. The analytical period of 2020 to 2023 has thus been characterized by a pattern in which the ambition of multilateral commitments has continued to grow while implementation capacity has, in many domains, stagnated or declined [1].

3.4 Governance Gap Assessment by Domain

The AUN-GCI assessment of the governance gap across the twelve governance domains reveals significant variation in both commitment levels and implementation performance. The following table presents the qualitative assessment of commitment and implementation for each domain, along with a characterization of the governance gap as wide, moderate, or narrow. This assessment is based on the structured evaluation process described in Chapter 1, informed by quantitative evidence from established datasets and official monitoring frameworks. The assessment reflects the situation as of November 2023, the analytical cutoff date for this report.

Governance Domain	Commitment	Implementation	Gap Assessment
Peace and Security	High	Medium	Significant
Humanitarian Assistance and Protection	High	Medium	Significant
Economic Governance and Financial Stability	High	Medium	Moderate
Trade and Investment	High	Medium-High	Moderate
Climate Change Mitigation	High	Low	Severe
Environmental Governance and Biodiversity	High	Low	Severe
Global Health	High	Medium	Significant
Human Rights and Rule of Law	High	Medium	Significant
Digital and Technology Governance	Medium	Low	Significant
Migration and Displacement	Medium-High	Low-Medium	Significant
Development Finance and Cooperation	Medium-High	Medium	Moderate
Arms Control and Non-Proliferation	Medium-High	Low	Severe

Table 2: AUN-GCI Governance Gap Assessment by Domain, 2023. Commitment and Implementation levels are based on qualitative research assessment using the AUN-GCI framework, drawing on quantitative indicators from WGI, V-Dem, Freedom House, SIPRI, and other established sources. See Annex for full methodology.

Several patterns emerge from this assessment. First, the governance gap is widest in domains where high political commitment coexists with significant implementation barriers, particularly in climate change mitigation and environmental governance and biodiversity. In these domains, international agreements have established ambitious targets, including the Paris Agreement's goal of limiting global warming to well below two degrees Celsius and the Kunming-Montreal Framework's targets for conserving thirty percent of land and ocean areas by 2030, but implementation is constrained by the scale of the economic and political transformation required, the inadequacy of climate and environmental finance, and the free-rider incentives that pervade collective action problems of this nature [2].

Second, the governance gap is narrowest in domains where the institutional architecture is most established and where implementation mechanisms are most developed, particularly in trade and investment and arms control and non-proliferation. However, it is important to note that a narrow governance gap does not necessarily indicate strong governance performance. In the arms control domain, for example, the narrow gap reflects the erosion of both commitment and implementation, as key arms control treaties have collapsed or been undermined and new agreements have not been concluded to replace them. The Russia-Ukraine conflict and the deterioration of great-power relations have contributed to a regression in both the ambition and the effectiveness of the arms control regime [3].

Third, the assessment reveals that no governance domain achieves the combination of high commitment and high implementation that would represent the ideal state of effective multilateral governance. The closest approximation is found in humanitarian assistance and protection, where commitment remains high despite growing operational challenges, and implementation, while insufficient to meet the full scale of needs, demonstrates the operational capacity and institutional resilience of the humanitarian system. In contrast, the domain of digital and technology governance exhibits both medium commitment and low implementation, reflecting the early stage of institutional development in this rapidly evolving domain and the difficulty of establishing governance frameworks for technologies that are advancing faster than regulatory and normative processes can accommodate [41].

3.5 Case Studies in Implementation Failure and Success

The abstract patterns identified in the governance gap assessment are best understood through concrete examination of specific cases that illustrate the dynamics of implementation success and failure. The COVID-19 vaccine distribution experience provides a particularly instructive case of implementation failure within a context of high institutional commitment. The COVAX facility, established in 2020 as the primary multilateral mechanism for ensuring equitable access to COVID-19 vaccines, set an initial target of delivering two billion vaccine doses by the end of 2021. While COVAX ultimately delivered approximately 1.8 billion doses, the distribution was marked by severe inequities, with high-income countries achieving vaccination rates exceeding seventy percent of their populations while many low-income countries struggled to reach twenty percent well into 2022. The implementation failure was driven by multiple factors, including supply constraints arising from export restrictions and hoarding by vaccine-producing countries, inadequate financial contributions from donor governments, structural weaknesses in COVAX's procurement and allocation mechanisms, and the absence of enforceable obligations on states to support equitable distribution [8].

A contrasting case of implementation progress, though still incomplete, can be found in the domain of economic governance and financial stability. The IMF's response to the economic disruption caused by the COVID-19 pandemic, including the $650 billion SDR allocation in August 2021, the expansion of emergency financing facilities, and the establishment of the Catastrophe Containment and Relief Trust, demonstrated a significant institutional capacity to mobilize resources rapidly in response to a systemic shock. The subsequent approval of a 50 percent equiproportional quota increase by the Board of Governors on 15 December 2023, following the Executive Board's recommendation of 7 November 2023, represented a further step toward enhancing the Fund's institutional capacity while leaving members' quota shares unchanged at that time; the practical impact of this increase will depend on the pace of national ratification processes, and the decision called for further work on possible approaches to future quota realignment. These actions, while insufficient to address the full scale of the economic disruption experienced by developing countries, represent a meaningful narrowing of the governance gap in the economic governance domain relative to the institutional performance observed during previous crises, such as the 2008 global financial crisis [1].

The governance of the global trading system presents a mixed picture that illustrates the complexity of implementation dynamics. The WTO's dispute settlement mechanism, long considered one of the most effective implementation tools in the multilateral system, has been severely impaired since December 2019 due to the blockage of appointments to the Appellate Body, creating a significant implementation gap in the enforcement of trade rules. At the same time, the WTO's monitoring and transparency functions have continued to operate, providing valuable information on trade policy developments and supporting a degree of accountability. The 12th Ministerial Conference, held in June 2022, produced agreements on fisheries subsidies, COVID-19 vaccine intellectual property waivers, and food security, demonstrating that the WTO retains a capacity for negotiated outcomes even in a challenging political environment. However, the gap between the ambition of these agreements and their implementation, particularly the fisheries subsidies agreement, which requires significant notification and monitoring capacity, remains a concern [5].

3.6 The Political Economy of Implementation

Implementation outcomes are fundamentally shaped by political economy dynamics, the intersection of political incentives, economic interests, and institutional structures that determines whether commitments are translated into action. The AUN-GCI assessment reveals that implementation performance is not randomly distributed but is systematically influenced by the distribution of power, wealth, and voice within and among states. Governance domains that require significant transfers of resources from wealthy to developing countries, such as climate finance and development cooperation, tend to exhibit wider governance gaps than domains where implementation depends primarily on regulatory or institutional measures that impose relatively modest costs on powerful actors. This pattern reflects the structural asymmetry of the multilateral system, in which the states that bear the greatest implementation responsibilities are often those with the least political leverage to ensure that other states fulfill their supporting obligations [42].

The political economy of implementation is also shaped by domestic institutional arrangements. States with strong democratic institutions, robust rule of law, and vibrant civil society tend to exhibit stronger implementation performance, reflecting the accountability mechanisms that democratic governance provides and the capacity of civil society to monitor compliance and advocate for implementation. The V-Dem 2023 assessment documents a continued pattern of democratic erosion globally, with significant implications for multilateral implementation. Countries experiencing democratic backsliding are less likely to implement human rights commitments, less likely to provide transparent reporting on their compliance with multilateral obligations, and more likely to view multilateral institutions as instruments of external interference rather than as legitimate frameworks for international cooperation [14]. The Freedom House 2023 report similarly documents the seventeenth consecutive year of decline in global freedom, with fifty-two countries experiencing deterioration and only thirty-five seeing improvement [13].

The role of economic interests in shaping implementation outcomes is particularly evident in the trade and investment domain, where the implementation of multilateral commitments is frequently contested by domestic constituencies that face competitive pressure from international trade. The resurgence of protectionist measures during the analytical period, including tariff increases, export restrictions, and industrial subsidies, reflects the growing influence of economic nationalism and the political salience of trade-related employment impacts. The WTO's monitoring reports have documented a steady increase in trade-restrictive measures since 2020, despite the continued formal commitment of WTO members to an open, rules-based trading system. This pattern illustrates a broader dynamic in which implementation performance is determined not only by institutional capacity but also by the alignment between multilateral commitments and domestic political and economic interests [5].

3.7 The Governance Gap and Democratic Legitimacy

The governance gap has significant implications for the democratic legitimacy of multilateral institutions. When states adopt ambitious commitments in multilateral forums and then fail to implement them, they erode public confidence in both the multilateral system and in the domestic political processes through which multilateral commitments are ratified and endorsed. This erosion of confidence is particularly pronounced when the gap between commitment and implementation is visible and consequential, as it has been in the domains of climate change, where the disconnect between stated temperature targets and actual emissions trajectories has become a focal point for public criticism of multilateral institutions and for skepticism about the willingness of governments to act on their stated commitments [41].

The democratic legitimacy deficit is compounded by the fact that many multilateral governance processes are perceived as distant, technocratic, and unresponsive to the concerns of ordinary citizens. The complexity of multilateral negotiations, the technical nature of many governance issues, and the dominance of executive branches and foreign ministries in negotiating processes mean that domestic legislatures, civil society organizations, and the broader public often have limited opportunities to shape multilateral commitments or to hold their governments accountable for implementation. The AUN-GCI assessment of stakeholder participation reveals significant variation in the degree to which governance processes are open to meaningful non-state engagement, with environmental and human rights domains generally exhibiting higher levels of civil society participation than security and financial governance domains [14].

Addressing the democratic legitimacy deficit requires both institutional reforms to enhance transparency, participation, and accountability in multilateral governance, and domestic reforms to strengthen the mechanisms through which citizens can influence their governments' multilateral positions and monitor implementation. The UN General Assembly's adoption of resolutions on the revitalization of its work, the growing practice of holding multi-stakeholder dialogues alongside intergovernmental negotiations, and the increasing use of digital platforms for public consultation represent incremental steps toward a more participatory model of multilateral governance. However, these measures remain insufficient to address the scale of the democratic legitimacy challenge, particularly in a context where the governance gap between commitment and implementation feeds a narrative of institutional irrelevance that undermines public support for multilateral cooperation [13].

3.8 Monitoring and Accountability Mechanisms

Effective monitoring and accountability mechanisms are essential for narrowing the governance gap, as they provide the information and incentives that enable stakeholders to assess implementation performance, identify shortfalls, and advocate for corrective action. The multilateral system includes a diverse array of monitoring and accountability mechanisms, ranging from formal compliance procedures established under specific treaties to informal peer review processes and civil society monitoring initiatives. The effectiveness of these mechanisms varies significantly across governance domains, and the AUN-GCI assessment reveals a general pattern in which monitoring mechanisms are more developed than accountability mechanisms, meaning that implementation shortfalls are frequently documented but rarely addressed through meaningful consequences [2].

In the climate change domain, the Paris Agreement established an Enhanced Transparency Framework requiring all parties to submit nationally determined contributions, biennial transparency reports, and periodic global stocktakes. This framework represents a significant advancement in climate governance monitoring, providing a structured mechanism for tracking progress toward agreed targets. However, the accountability dimension remains weak, as the Paris Agreement's compliance mechanism is facilitative rather than punitive, designed to promote compliance through dialogue and assistance rather than through sanctions or other enforcement measures. The result is a monitoring system that generates extensive information about implementation gaps but lacks the enforcement capacity to ensure that those gaps are closed [2].

In the human rights domain, the UN human rights system includes a range of monitoring mechanisms, including the Universal Periodic Review, the treaty body reporting system, and the special procedures of the Human Rights Council. These mechanisms have proven valuable in documenting human rights violations, generating recommendations for implementation, and maintaining international attention on specific country situations and thematic issues. However, the implementation of human rights recommendations remains largely dependent on the willingness of states to cooperate, and the absence of enforceable obligations means that persistent violators can often avoid meaningful accountability. The humanitarian domain similarly relies on monitoring mechanisms, including needs assessments, real-time evaluations, and after-action reviews, but accountability for implementation shortfalls is limited by the complexity of operating environments and the difficulty of attributing outcomes to specific institutional actions [13].

3.9 The Role of Data and Evidence in Implementation

The availability and quality of data and evidence are critical enablers of effective implementation, providing the informational foundation for policy design, resource allocation, progress monitoring, and adaptive management. The analytical period has seen significant advances in data availability, driven by improvements in statistical capacity, the proliferation of satellite and sensor-based monitoring technologies, and the growing use of big data and artificial intelligence for governance purposes. The UN Sustainable Development Goals framework has been a particularly important driver of data improvement, establishing a comprehensive indicator framework that has stimulated investment in national statistical systems and created new platforms for data sharing and analysis [2].

Despite these advances, significant data gaps persist, particularly in domains that require real-time or granular subnational data. Conflict-affected areas, where governance challenges are often most acute, are frequently characterized by data scarcity, as statistical systems are disrupted by violence and displacement. Environmental monitoring, while improved by satellite technologies, still faces challenges in tracking biodiversity loss, ecosystem degradation, and pollution at the spatial and temporal resolution required for effective management. The governance of digital technologies suffers from a fundamental data asymmetry, in which the private companies that generate and control the most relevant data are often reluctant to share it with regulators and researchers. These data gaps impede not only the monitoring of implementation but also the design of effective policies and the identification of emerging governance challenges before they escalate into crises [41].

The quality and accessibility of data are also important concerns. Even where data exists, it may be incomplete, inconsistent across countries or time periods, or difficult to access for researchers and civil society organizations. The WHO's data systems, for example, have been criticized for inconsistencies in reported health indicators and for delays in data publication that limit the timeliness of policy responses. The IMF's data standards and codes have improved the quality and transparency of economic and financial data, but significant gaps remain in the coverage of financial sector data, particularly in developing countries. The AUN-GCI assessment highlights the importance of continued investment in data infrastructure, statistical capacity, and open data policies as a cross-cutting enabler of implementation effectiveness across all twelve governance domains [8].

3.10 Learning from Success: What Works

While much of this chapter has focused on the causes and consequences of the governance gap, it is equally important to identify the factors that contribute to successful implementation, as these provide the basis for constructive reform recommendations. The AUN-GCI assessment identifies several factors that are consistently associated with stronger implementation performance across governance domains. First, clear, specific, and measurable commitments with defined timelines and accountability mechanisms tend to be implemented more effectively than vague or aspirational commitments. The Millennium Development Goals, with their concrete, time-bound targets, are widely regarded as having been more effective in driving implementation than the broader, more complex Sustainable Development Goals framework that succeeded them [2].

Second, implementation is strongest where institutional mandates are clearly defined and where institutional boundaries minimize mandate overlap and coordination failures. The success of the Global Fund to Fight AIDS, Tuberculosis and Malaria illustrates the value of focused institutional design, with a clear mandate, a dedicated funding mechanism, and robust monitoring and accountability systems that have enabled it to mobilize and disburse resources effectively. Third, implementation benefits from sustained political leadership and high-level attention. The Paris Agreement's momentum was significantly influenced by the personal engagement of political leaders in the negotiation process, and implementation has tended to be stronger in countries where climate action has been championed at the highest levels of government. Fourth, adequate and predictable financial resources are a necessary, though not sufficient, condition for implementation. The persistent underfunding of multilateral institutions and governance commitments, documented across multiple domains in this assessment, represents one of the most significant and remediable drivers of the governance gap [7].

Fifth, effective implementation requires institutional learning and adaptive management capacity. Institutions that systematically evaluate their performance, incorporate lessons learned into their operations, and adapt their strategies in response to changing circumstances tend to narrow the governance gap over time. The UN peacekeeping system's incorporation of lessons from past operations, including the protection of civilians mandate and the strengthening of mission planning and deployment capabilities, has contributed to improved implementation performance in the peace and security domain, even as the operational environment has grown more complex and dangerous. Sixth, meaningful stakeholder participation, including the engagement of civil society, the private sector, and affected populations, enhances implementation by providing local knowledge, building political support, and strengthening accountability. The AUN-GCI's emphasis on stakeholder participation as one of its five analytical dimensions reflects the evidence that inclusive governance processes produce more effective and more legitimate implementation outcomes [3].

These success factors point toward a set of cross-cutting reform priorities that are developed in greater detail in the domain-specific chapters and in the synthesis chapter of this report. They also underscore the interconnectedness of the five AUN-GCI dimensions: institutional architecture, implementation capacity, normative coherence, stakeholder participation, and adaptive capacity are mutually reinforcing, and reforms that strengthen one dimension tend to generate positive spillovers in the others. Conversely, weaknesses in one dimension can undermine progress in others, as when institutional fragmentation (architecture) impedes coordination (implementation capacity) or when normative incoherence (normative coherence) creates implementation contradictions that no amount of institutional effort can resolve. Understanding these interconnections is essential for designing reform strategies that address the governance gap in a comprehensive and sustainable manner [14].

Chapter 4: Peace and Security Governance

4.1 The Evolving Security Landscape

The period from January 2020 through November 2023 witnessed a profound deterioration in the global security environment. UCDP recorded 55 active state-based armed conflicts in 2022, the highest figure since the end of the Cold War, including 8 wars -- conflicts defined as producing at least 1,000 battle-related deaths in a single calendar year [4]. Total fatalities from organised violence in 2022 reached approximately 237,000, while battle-related deaths in state-based conflicts exceeded 200,000, driven overwhelmingly by the full-scale Russian invasion of Ukraine launched in February 2022. This represented a dramatic escalation from prior years and marked a decisive turning point in the post-Cold War security order. The Institute for Economics and Peace documented a sustained decline in overall peacefulness, with the 2023 Global Peace Index registering the ninth deterioration in peacefulness in the past fifteen years [49]. Multiple regions experienced simultaneous crises, from the Sahel and the Horn of Africa to the Middle East and Eastern Europe, stretching the capacity of international governance mechanisms to respond effectively.

The nature of conflict itself evolved considerably during this period. Interstate tensions resurfaced with a intensity not seen in decades, most visibly in the Russia-Ukraine war but also in rising friction in the South China Sea, the Taiwan Strait, and the Korean Peninsula. At the same time, intrastate conflicts remained the predominant form of organised violence, complicated by the involvement of external actors providing military support, mercenaries, and proxy forces. The proliferation of non-state armed groups, including terrorist organisations and transnational criminal networks, continued to undermine state authority across broad swaths of Africa, the Middle East, and South Asia. The intersection of these traditional security threats with emerging domains such as cyberspace, autonomous weapons systems, and disinformation campaigns added layers of complexity that existing governance frameworks were only beginning to address. The International Crisis Group's 2023 assessment identified no fewer than twenty-seven situations of deteriorating conflict dynamics globally, compared to only twelve showing meaningful improvement [51].

4.2 United Nations Peace and Security Mechanisms

The United Nations Security Council remained the principal multilateral body charged with maintaining international peace and security, yet its effectiveness was severely tested during the analytical period. The Council's paralysis on Ukraine, where Russia exercised its veto power to block action regarding its own aggression, underscored the structural limitations of a body whose permanent membership reflects the geopolitical configuration of 1945 rather than contemporary realities. Between January 2020 and November 2023, the Security Council convened numerous emergency sessions on Ukraine, Sudan, Ethiopia, Myanmar, and the Middle East, but its capacity to translate deliberation into binding, enforceable action was constrained by great-power disagreements. The use of the veto by Russia and China on multiple occasions, including on resolutions concerning Syria and Ukraine, reignited long-standing debates about Council reform and the need for greater representation of Africa, Latin America, and Asia among the permanent membership.

UN peacekeeping operations, the organisation's flagship instrument for conflict management, faced mounting operational and political challenges. The approved budget for UN peacekeeping for fiscal year 2023/24 stood at approximately $6.1 billion, reflecting both the financial constraints imposed by major contributors and the increasing complexity of mission mandates. Force generation became a persistent difficulty, as troop-contributing countries faced their own security challenges and fiscal pressures. Several high-profile missions came under intense scrutiny, including MONUSCO in the Democratic Republic of Congo, where peacekeepers were attacked by local populations frustrated by the mission's inability to protect civilians from armed group violence. MINUSMA in Mali was compelled to withdraw following the junta's demand for the mission's departure, a decision that raised serious questions about the viability of peacekeeping in environments where host governments do not consent to international presence. The Secretary-General's New Agenda for Peace, issued in anticipation of the Summit of the Future, called for a fundamental rethinking of peacekeeping doctrine to adapt to the increasingly hostile operating environments that characterised contemporary conflict zones.

4.3 Military Expenditure and the Arms Control Regime

Global military expenditure continued its upward trajectory throughout the analytical period, reaching unprecedented levels by 2023. The Stockholm International Peace Research Institute estimated that world military spending surpassed $2.24 trillion in 2022, representing a real-term increase for the eighth consecutive year [3]. The Russia-Ukraine war was the single largest driver of increased spending, with European NATO members accelerating defence budgets in response to the perceived threat from Russia and the United States providing tens of billions of dollars in military assistance to Ukraine. Germany's announcement of a special 100 billion euro defence fund in February 2022 symbolised a fundamental shift in European defence thinking, overturning decades of post-Cold War military retrenchment. Beyond Europe, military spending rose significantly in Asia and Oceania, driven by tensions surrounding China's military modernisation and territorial claims in the South China Sea and around Taiwan.

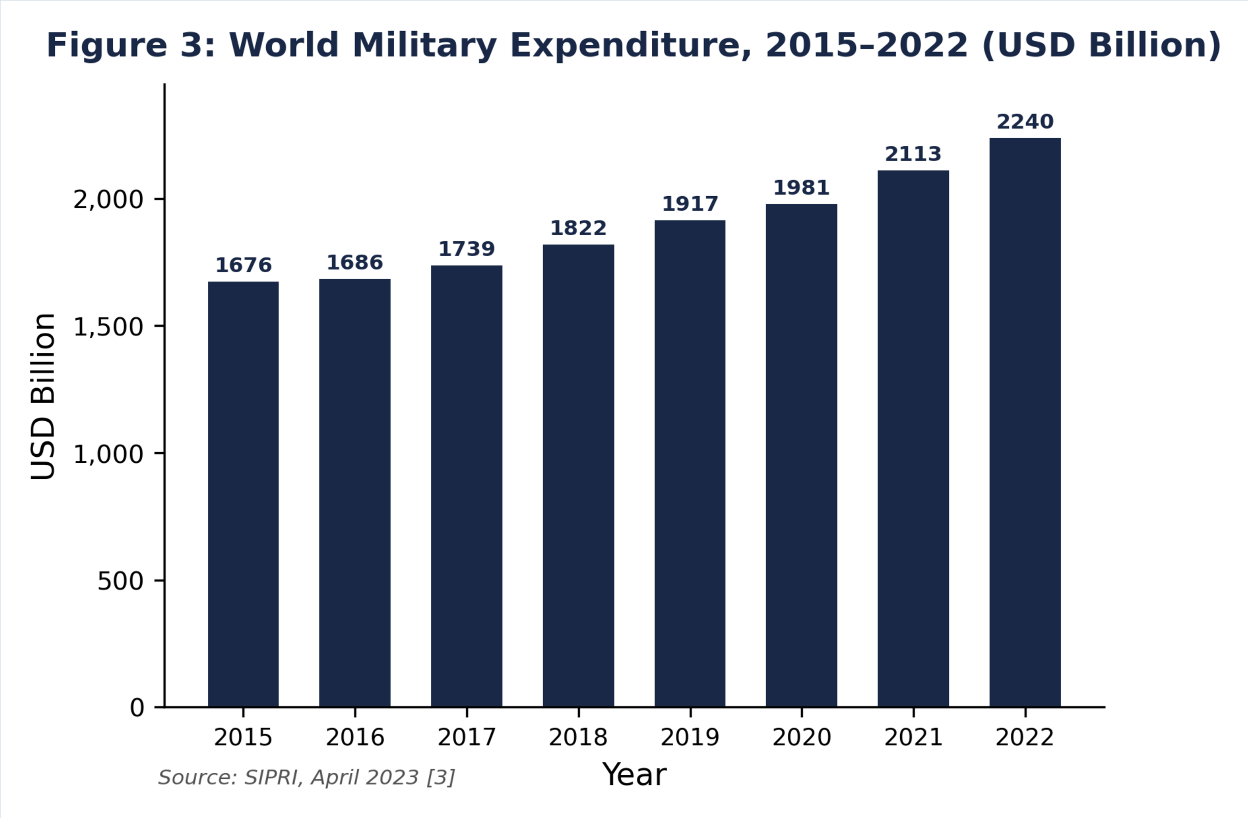

Figure 3: World Military Expenditure, 2015-2022 (USD Billion)

Source: SIPRI Fact Sheet, April 2023 [3].

The arms control and disarmament architecture deteriorated markedly during this period. The collapse of the Intermediate-Range Nuclear Forces Treaty in 2019 was followed by the expiration of New START in February 2021, though both the United States and Russia subsequently agreed to extend the treaty for five years. The Open Skies Treaty effectively ended after Russia's withdrawal, and the Treaty on Conventional Armed Forces in Europe was formally suspended by Russia in March 2023. These developments left the Euro-Atlantic security architecture with fewer legally binding arms control instruments than at any point since the early 1970s. Efforts to negotiate new frameworks, including proposed talks on intermediate-range missiles, produced no tangible results. The Conference on Disarmament in Geneva remained deadlocked for the entirety of the period, unable to agree on a programme of work. Meanwhile, the global arms trade expanded, with major exporters increasing deliveries to conflict zones and regions of tension, raising concerns about the adequacy of existing export control regimes and the Arms Trade Treaty, which entered into force in 2014 but remained unratified by several major arms exporters.

4.4 Key Events in Peace and Security (2020-2023)

Date	Event	Significance

February 2022	Russia launches full-scale invasion of Ukraine	Largest European war since 1945; Security Council paralysed
April 2022	Finland and Sweden apply for NATO membership	End of decades of Nordic military non-alignment
June 2022	UN Small Arms Treaty Review Conference inconclusive	Stalemate in conventional arms control diplomacy
1 January 2023	Lula da Silva inaugurated as President of Brazil	Renewed diplomatic engagement on Ukraine peace efforts
April 2023	Sudan civil war erupts between SAF and RSF	Major humanitarian crisis; millions displaced
April 2023	Mali orders MINUSMA withdrawal	First forced UN peacekeeping exit in years
July 2023	Russia withdraws from Black Sea Grain Initiative	Threat to global food security; prices surge
July 2023	Niger coup removes civilian government	Fifth coup in the Sahel since 2020
9 September 2023	African Union joins G20 as permanent member	Greater African voice in economic governance
October 2023	Israel-Hamas conflict erupts	Major regional security crisis; mass civilian casualties
1 November 2023	Bletchley Declaration on AI Safety signed	28 countries plus EU agree on AI safety principles
13 December 2023	COP28 adopts the UAE Consensus	First COP decision to reference transitioning away from fossil fuels

Table 3: Key Events in Peace and Security, 2020-2023. Sources: [3][4][22][38][51].

The analytical period was defined by several pivotal security events that reshaped the global governance landscape. The full-scale Russian invasion of Ukraine in February 2022 was the most consequential, triggering the largest conventional war in Europe since 1945 and generating far-reaching consequences for energy security, food systems, and the rules-based international order.

The conflict displaced millions, resulted in tens of thousands of civilian casualties, and prompted an unprecedented sanctions regime targeting the Russian economy and its leadership. The war also catalysed a fundamental reassessment of defence postures across Europe and accelerated Finland and Sweden's applications for NATO membership in April 2022, ending decades of military non-alignment.

In Africa, the security situation deteriorated across multiple theatres. The Tigray conflict in Ethiopia, which erupted in November 2020, produced one of the deadliest conflicts of the decade before a fragile ceasefire was negotiated in November 2022. In the Sahel, a cascade of military coups in Mali (2020 and 2021), Burkina Faso (2022), Guinea (2021), and Niger (July 2023) reflected deep governance failures and the inability of regional and international actors to address the root causes of instability. The conflict in Sudan, which erupted in April 2023 between the Sudanese Armed Forces and the Rapid Support Forces, rapidly produced one of the world's worst humanitarian emergencies, with thousands killed and millions displaced. In the Middle East, the outbreak of conflict between Israel and Hamas in October 2023 following the Hamas-led attacks of 7 October resulted in devastating casualties in Gaza and raised fundamental questions about the enforcement of international humanitarian law in urban warfare.

4.5 Regional Security Organisations

Regional security organisations played an increasingly significant but uneven role in conflict management during this period. The African Union's Peace and Security Council remained the continent's primary conflict resolution mechanism, but its effectiveness was hampered by resource constraints, institutional fragmentation, and the challenge of securing consensus among member states. The Intergovernmental Authority on Development mediated intermittently in the Sudan conflict and the Tigray crisis, with varying degrees of success. The Economic Community of West African States responded to the spate of coups in the region by imposing sanctions and, in the case of Niger, authorising a standby military force, though the execution of such threats remained uncertain. The permanent accession of the African Union to the G20 on 9 September 2023 represented a diplomatic achievement that held potential implications for the continent's influence on global security governance, though translating institutional access into concrete policy outcomes remained a longer-term challenge.

The North Atlantic Treaty Organisation underwent its most significant expansion since 2004, with Finland joining in April 2023 and Sweden's accession process advancing following the resolution of disputes with Turkey and Hungary. NATO's 2022 Strategic Concept identified Russia as the most significant and direct threat to allied security while also addressing challenges posed by China and non-state actors. The organisation substantially enhanced its forward presence along its eastern flank and increased defence spending targets, with an increasing number of members meeting or exceeding the benchmark of two percent of GDP. The Organisation for Security and Co-operation in Europe, meanwhile, struggled to maintain its relevance as consensus-based decision-making proved impossible in the context of the Ukraine conflict, with Russia blocking key activities and several participating states withdrawing cooperation.

4.6 Nuclear Non-Proliferation and Disarmament

The nuclear non-proliferation regime faced acute stress during the analytical period, as geopolitical competition among nuclear-armed states intensified and progress toward disarmament stalled. The Tenth Review Conference of the Treaty on the Non-Proliferation of Nuclear Weapons, held in August 2022 after repeated delays caused by the COVID-19 pandemic, concluded without a consensus outcome document, primarily due to disagreements over language concerning Ukraine. This failure marked the third consecutive review cycle unable to produce a consensus outcome, raising serious concerns about the health of the cornerstone of the nuclear order. The Treaty on the Prohibition of Nuclear Weapons, which entered into force in January 2021, garnered additional ratifications but remained unsigned by all nuclear-armed states and most NATO allies, limiting its practical impact on the behaviour of the states possessing the vast majority of the world's nuclear arsenal.

Concerns about nuclear proliferation centred on Iran and North Korea. Iran's nuclear programme advanced steadily, with the International Atomic Energy Agency reporting that Iran had accumulated enriched uranium at levels significantly exceeding the limits set by the Joint Comprehensive Plan of Action. Efforts to revive the JCPOA through indirect negotiations between the United States and Iran, conducted primarily through European mediators, proved unsuccessful by the end of 2023. North Korea continued to develop its ballistic missile and nuclear capabilities, conducting an unprecedented number of missile tests in 2022 and 2023 and adopting a new nuclear doctrine that broadened the conditions under which it might employ nuclear weapons. The complete absence of diplomatic engagement between North Korea and the United States following the collapse of the Singapore process in 2019 left the international community without a meaningful channel to address the growing threat.

4.7 Cybersecurity and Hybrid Threats

Cybersecurity emerged as one of the most dynamic and challenging domains of international security governance during the analytical period. State-sponsored cyber operations increased in frequency and sophistication, targeting critical infrastructure, government institutions, and electoral systems. The Russia-Ukraine war featured extensive cyber operations alongside conventional military action, including disruptive attacks on Ukrainian government networks, telecommunications infrastructure, and energy systems. These operations demonstrated the integration of cyber capabilities into broader military strategies and highlighted the vulnerability of interconnected digital systems to state-level attack. The absence of a universally accepted framework governing state behaviour in cyberspace, beyond the voluntary norms endorsed by the UN Group of Governmental Experts, left a significant governance gap that was only partially addressed by the establishment of the Open-Ended Working Group on cybersecurity, which continued its deliberations through 2023.

Hybrid threats, combining conventional military force with cyber operations, disinformation campaigns, economic coercion, and proxy warfare, became an increasingly prominent feature of international security. The Bletchley Declaration, signed on 1 November 2023 by 28 countries plus the European Union, represented the first multilateral effort to establish shared principles for the governance of artificial intelligence in the context of national security. While not a binding instrument, the declaration acknowledged the potential for AI systems to be used in cyber operations, disinformation, and the development of autonomous weapons, and it called for international cooperation to manage these risks. Information warfare and disinformation campaigns, particularly those conducted through social media platforms, continued to undermine social cohesion and democratic processes in multiple countries, prompting varied regulatory responses that ranged from the European Union's Digital Services Act to more authoritarian approaches to content control in other jurisdictions.

4.8 Peacebuilding and Sustaining Peace

The peacebuilding and sustaining peace agenda faced significant headwinds during the analytical period, as the proliferation of conflicts and the diversion of international attention and resources toward major crises constrained the space for longer-term peacebuilding efforts. The UN Peacebuilding Fund, the organisation's primary instrument for financing peacebuilding activities, experienced chronic underfunding relative to the scale of need, despite repeated calls from the Secretary-General and member states for increased investment in conflict prevention. The concept of sustaining peace, articulated in the 2016 dual resolutions of the General Assembly and Security Council, remained the guiding framework for UN peacebuilding policy, but its implementation was uneven, with insufficient integration of peacebuilding considerations into the work of the broader UN development system.

The nexus between peacebuilding and development became increasingly prominent in policy discourse, as evidence accumulated that conflicts were most likely to recur in countries with high levels of poverty, inequality, and governance deficits. The COVID-19 pandemic exacerbated these underlying drivers of conflict by deepening economic hardship, disrupting social services, and eroding public trust in institutions. Several countries that had made significant progress in peace transitions, including Colombia and the Central African Republic, experienced setbacks as economic pressures and security vacuums created space for armed groups to regroup. The role of youth in peacebuilding gained greater recognition, supported by Security Council Resolution 2250 and subsequent resolutions, though meaningful youth participation in formal peace processes remained more aspirational than realised in most contexts.

4.9 The Impact of the Russia-Ukraine War on Global Governance

The full-scale Russian invasion of Ukraine in February 2022 had far-reaching consequences for global governance that extended well beyond the immediate humanitarian and security dimensions of the conflict. The war triggered an unprecedented sanctions regime coordinated primarily by the United States, the European Union, the United Kingdom, and allied states, targeting Russia's central bank reserves, financial institutions, energy sector, and individual oligarchs and officials. The freezing of approximately $300 billion in Russian central bank reserves held in Western jurisdictions raised fundamental questions about the safety of sovereign assets and the use of financial sanctions as a tool of statecraft, with significant implications for the international monetary system and the future role of the US dollar as the dominant reserve currency.

The war also exposed and accelerated divisions within the multilateral system. While the General Assembly adopted multiple resolutions condemning the invasion by large margins, the votes revealed a significant gap between the positions of Western states and many developing countries, particularly in Africa, South Asia, and Latin America. This gap reflected frustration among Global South nations with what they perceived as a double standard in the application of international law and a lack of comparable attention to other crises, including those in Palestine, Ethiopia, and the Sahel. The war's disruption of agricultural exports from Ukraine and Russia contributed to a global food security crisis that disproportionately affected import-dependent developing countries, further straining the solidarity of the multilateral system. The conflict also intensified debates about UN Security Council reform, as the Council's inability to act on Ukraine due to Russia's veto power became the most visible symbol of the institution's structural deficiencies.

4.10 Women, Peace and Security

The Women, Peace and Security agenda, grounded in Security Council Resolution 1325 and its subsequent resolutions, faced both opportunities and setbacks during the analytical period. The participation of women in formal peace processes remained limited, with women constituting an average of less than ten percent of negotiators in major peace processes between 2020 and 2023, despite growing evidence that the inclusion of women significantly improves the durability and quality of peace agreements. The conflict in Ukraine drew international attention to the particular vulnerabilities of women and girls in conflict zones, including conflict-related sexual violence, forced displacement, and the disruption of reproductive health services. Reports of sexual violence committed by Russian forces in Ukraine prompted investigations by the International Criminal Court and reinforced calls for accountability mechanisms that address gender-based atrocities.

At the institutional level, the UN continued to strengthen its framework for implementing the Women, Peace and Security agenda. The appointment of a dedicated Women, Peace and Security focal point within the Department of Political and Peacebuilding Affairs and the integration of gender perspectives into peacekeeping mandates represented incremental progress. However, funding for women's organisations in conflict-affected settings remained grossly insufficient, with estimates suggesting that less than one percent of official development assistance directed to conflict-affected states was specifically allocated to women's rights organisations. The 2023 review of the Women, Peace and Security agenda, conducted in preparation for the twenty-fifth anniversary of Resolution 1325 in 2025, highlighted the persistent gap between rhetorical commitments and concrete implementation, and called for transformative action to ensure that women's meaningful participation in peace and security decision-making moved from aspiration to standard practice across all governance levels.

Chapter 5: Humanitarian Governance

5.1 The Scale of Humanitarian Need

The period from January 2020 to November 2023 was marked by an unprecedented expansion in global humanitarian need, driven by the compounding effects of armed conflict, climate-related disasters, economic disruption, and the lasting reverberations of the COVID-19 pandemic. By 2023, the United Nations Office for the Coordination of Humanitarian Affairs estimated that approximately 362 million people worldwide required humanitarian assistance, a figure that had grown substantially from 235 million in 2021 and represented a staggering increase from pre-pandemic levels [19]. This escalation was not merely a function of improved needs assessment methodologies, though greater analytical capacity did contribute to more comprehensive identification of affected populations. Rather, it reflected genuine growth in the number of people facing acute food insecurity, displacement, and threats to their physical safety and dignity across multiple simultaneous crises. The concentration of humanitarian need in a relatively small number of countries intensified during this period, with just ten countries accounting for the majority of those in need, including Afghanistan, the Democratic Republic of Congo, Ethiopia, Nigeria, Somalia, South Sudan, Sudan, Syria, Ukraine, and Yemen.

The COVID-19 pandemic served as a force multiplier for humanitarian crises, disrupting supply chains, exhausting health systems, and pushing millions of people who had previously been managing at the margins of survival into acute need. The pandemic's secondary effects, including job losses, school closures, and the interruption of routine health services such as vaccination programmes, generated humanitarian consequences that in many cases exceeded the direct health impact of the virus itself. The World Bank's 2023 analysis documented significant increases in extreme poverty, particularly in low-income countries that lacked the fiscal space to implement the kind of counter-cyclical social protection measures deployed by wealthier states [7]. The confluence of pandemic aftershocks with pre-existing crises in countries such as Yemen, Syria, and Afghanistan created compounding emergencies that overwhelmed the capacity of both national authorities and international humanitarian organisations. The global food crisis of 2022, triggered in significant part by the disruption of agricultural exports from Ukraine and Russia, added a further dimension of suffering, with the Food and Agriculture Organization estimating that up to 828 million people faced chronic food insecurity.

5.2 Forced Displacement

Forced displacement reached historic levels during the analytical period, driven by conflict, violence, persecution, and human rights violations. UNHCR's Global Trends report documented that by mid-2023, the global number of forcibly displaced people had surpassed 110 million for the first time in recorded history [17]. This figure encompassed refugees, asylum-seekers, internally displaced persons, and others requiring international protection, and it represented a near-doubling of displacement levels from a decade earlier. The full-scale Russian invasion of Ukraine in February 2022 generated one of the fastest exoduses since the Second World War, with more than six million Ukrainian refugees recorded across Europe by mid-2022 and millions more internally displaced within Ukraine. The conflict in Sudan, erupting in April 2023 between the Sudanese Armed Forces and the Rapid Support Forces, displaced more than four million people within the first six months, adding to what was already one of Africa's largest displacement crises. The October 2023 escalation of the Israel-Palestine conflict following the Hamas-led attacks of 7 October produced massive displacement in Gaza, where the vast majority of the population was uprooted from their homes within weeks.

Internal displacement, while receiving less international attention than cross-border refugee movements, constituted the largest component of global displacement. The Internal Displacement Monitoring Centre documented record levels of internal displacement driven by both conflict and disasters, with conflict-related internal displacement reaching approximately 71 million by mid-2023. Protracted displacement situations, in which refugees and internally displaced persons remained displaced for five years or more, became an increasingly dominant feature of the global displacement landscape, with the average duration of refugee situations now measured in decades rather than years. The humanitarian and development implications of this protracted displacement were profound, as displaced populations faced sustained barriers to accessing education, livelihoods, healthcare, and legal protection. Host communities, particularly in low-income countries that hosted the majority of the world's refugees, faced their own challenges of resource scarcity and social tension, underscoring the need for approaches that addressed the needs of both displaced and host populations.

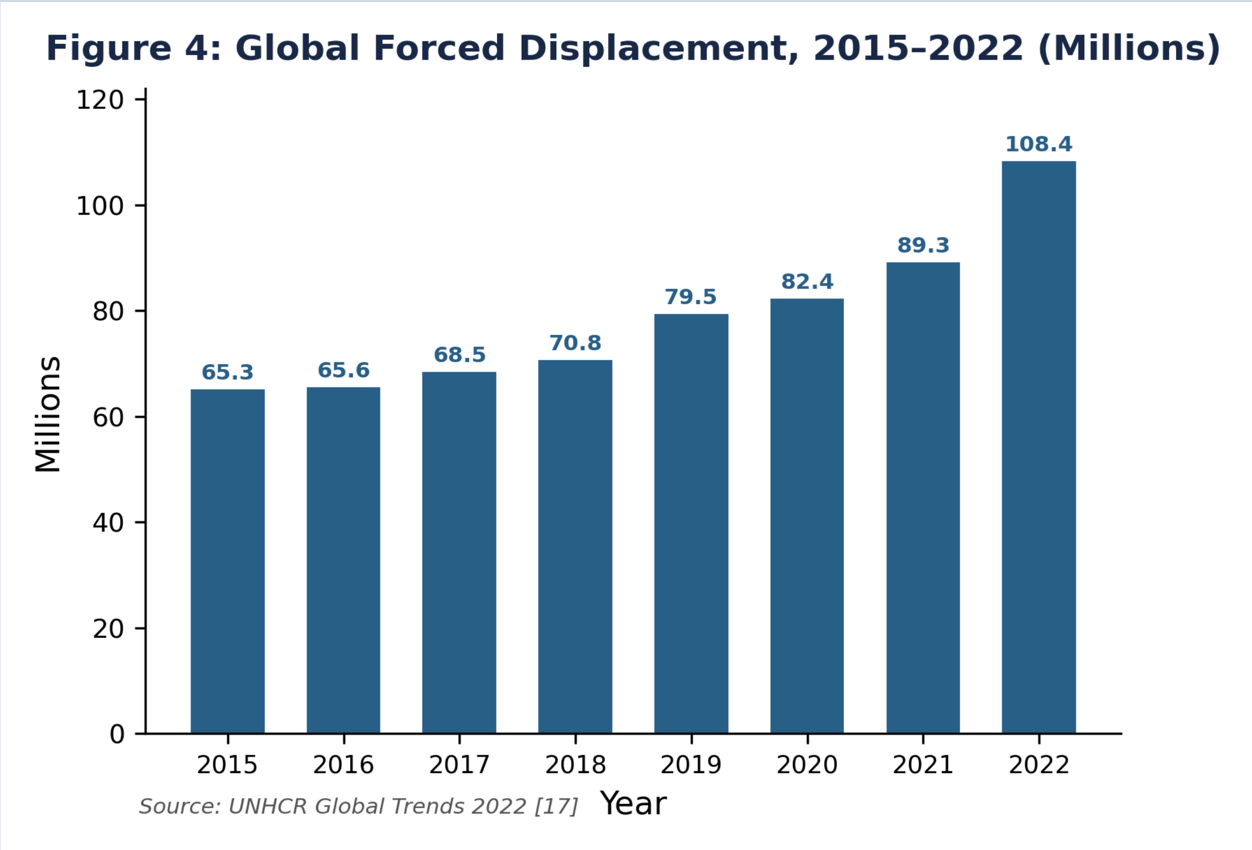

Figure 4: Global Forced Displacement, 2015-2022 (Millions)

Source: UNHCR Global Trends 2022 [17].

5.3 Humanitarian Funding and Effectiveness

The growth in humanitarian need significantly outpaced the growth in humanitarian funding during the analytical period, creating an expanding gap between requirements and resources. Global humanitarian funding requirements reached approximately $55 billion in 2023, as reflected in coordinated appeal processes, yet actual funding delivered fell considerably short of this target, with appeals typically funded at between 40 and 50 percent of assessed needs [19]. The concentration of crises, combined with donor fatigue and competing fiscal demands arising from the COVID-19 pandemic and the economic slowdown, placed significant strain on the humanitarian financing architecture. A small number of donors continued to provide the majority of humanitarian funding, with the United States, the European Union, Germany, the United Kingdom, and Japan collectively accounting for more than two-thirds of all official humanitarian assistance. This concentration of funding sources raised concerns about the predictability, flexibility, and independence of humanitarian action.

Efforts to reform humanitarian financing gained momentum during this period. The Grand Bargain, launched at the 2016 World Humanitarian Summit, entered its second phase in 2021 with a renewed focus on directing more funding directly to local and national responders, simplifying reporting requirements, and improving the efficiency of pooled funding mechanisms. Progress on these commitments remained uneven, however, with direct funding to local actors still estimated at well below the target of 25 percent of total humanitarian funding. The Central Emergency Response Fund continued to serve as a critical mechanism for rapid, needs-based allocation of resources, releasing hundreds of millions of dollars in response to sudden-onset emergencies and underfunded crises. Cash-based humanitarian assistance expanded significantly during this period, with evidence demonstrating that direct cash transfers could provide greater choice and dignity to affected populations while often achieving comparable or superior outcomes at lower cost than in-kind assistance. The use of anticipatory action and forecast-based financing, which released resources based on meteorological or conflict early warning indicators before a crisis reached its peak, also advanced considerably, though scaling these approaches remained a work in progress.

5.4 Climate Change and Humanitarian Crises

The intersection of climate change and humanitarian crises emerged as one of the defining governance challenges of the analytical period. Climate-related disasters, including droughts, floods, cyclones, and heatwaves, affected hundreds of millions of people annually and increasingly interacted with pre-existing vulnerabilities and conflict dynamics to produce complex, overlapping emergencies. The Horn of Africa experienced its worst drought in four decades between 2020 and 2023, devastating pastoralist and agricultural livelihoods and pushing millions of people in Ethiopia, Kenya, and Somalia to the brink of famine. Concurrently, unprecedented flooding in Pakistan in 2022 submerged a third of the country, displacing more than 33 million people and destroying critical infrastructure. The IPCC's Sixth Assessment Report, published in stages between 2021 and 2023, confirmed that climate change was increasing the frequency and intensity of extreme weather events and that the most severe impacts were being felt in countries and communities that had contributed least to global greenhouse gas emissions.

The humanitarian system struggled to adapt to the scale and nature of climate-related crises, which differed in important ways from traditional conflict-driven emergencies. Climate impacts were often slow-onset and cumulative, eroding resilience over years and decades rather than producing discrete, time-bound emergencies that could be addressed through conventional humanitarian response mechanisms. The distinction between humanitarian and development assistance, already blurred, became increasingly untenable in the face of climate-related displacement and food insecurity, where short-term relief and long-term adaptation and resilience-building needed to be pursued simultaneously. The 2023 Global Stocktake at COP28, culminating in the UAE Consensus on 13 December 2023, acknowledged the need for significantly greater investment in adaptation and loss and damage finance for developing countries, though the operationalisation of these commitments through the humanitarian system remained to be determined. The UN Secretary-General's call for a shift from reactive to proactive approaches to climate-related crises found expression in growing investments in early warning systems, anticipatory action, and climate-resilient development.

5.5 The Protection of Civilians

The protection of civilians in armed conflict remained one of the most acute challenges facing the international humanitarian governance system. The period from 2020 to 2023 was marked by widespread violations of international humanitarian law, including indiscriminate attacks on populated areas, the use of explosive weapons in civilian environments, the targeting of humanitarian workers and healthcare facilities, and the use of siege tactics that deprived civilian populations of access to food, water, and medical care. The conflict in Ukraine brought the issue of civilian protection to the forefront of international attention, as Russian strikes on residential areas, energy infrastructure, and civilian objects generated thousands of civilian casualties and triggered international investigations for potential war crimes. The escalation of the Israel-Palestine conflict in October 2023 produced devastating civilian casualties in Gaza, where the dense urban environment and the intensity of military operations created conditions of extreme humanitarian suffering that prompted urgent calls for a humanitarian ceasefire and adherence to the principles of distinction and proportionality.

Humanitarian access remained a persistent challenge across multiple crises. Parties to conflict routinely impeded the delivery of humanitarian assistance through bureaucratic obstacles, the imposition of sieges and blockades, the denial of movement permits, and direct attacks on humanitarian personnel. The security environment for humanitarian workers deteriorated significantly, with 2023 recording some of the highest numbers of aid worker fatalities in recent history, driven primarily by the conflicts in Sudan, Gaza, and Ukraine. The deliberate politicisation of humanitarian assistance, in which access was conditioned on political concessions or used as a tool of military strategy, undermined the humanitarian principles of humanity, neutrality, impartiality, and independence that underpinned the governance of humanitarian action. The international community's response to these challenges included strengthened mechanisms for documentation and accountability, including the work of UN-commissioned investigative bodies and the International Criminal Court, though the gap between the articulation of protection norms and their enforcement on the ground remained wide.

5.6 International Humanitarian Law and Its Challenges

International humanitarian law, the body of law that governs the conduct of armed conflict and seeks to limit its effects, faced unprecedented challenges during the analytical period. The fundamental principles of distinction between civilians and combatants, proportionality in the use of force, and the prohibition of unnecessary suffering were tested by the nature of contemporary warfare, characterised by fighting in densely populated urban environments, the proliferation of explosive weapons with wide area effects, and the increasing involvement of non-state armed groups that often lacked the capacity or willingness to comply with IHL obligations. The Russia-Ukraine war generated extensive documentation of alleged IHL violations, including the targeting of civilian infrastructure, the use of prohibited weapons such as cluster munitions, and the forcible transfer and deportation of civilian populations, leading to investigations by the International Criminal Court and the establishment of a UN commission of inquiry.

The governance framework for IHL compliance relied on a combination of dissemination, monitoring, and accountability mechanisms that proved insufficient to prevent widespread violations. The International Committee of the Red Cross, as the guardian of IHL, continued its bilateral confidential dialogue with parties to conflict and maintained its field operations to provide protection and assistance to affected populations, but its capacity to influence the behaviour of parties to conflict was constrained in several major crises. The development of new IHL instruments stalled during this period, with proposed protocols on urban warfare and the use of explosive weapons in populated areas failing to achieve the political consensus required for adoption. A political declaration on the use of explosive weapons in populated areas, endorsed by over 80 states in November 2022, represented a modest step toward strengthening civilian protection, though its non-binding character and the absence of several major military powers from its signatories limited its practical impact. The intersection of IHL with emerging technologies, including autonomous weapons systems and cyber operations, added further complexity to the legal and governance framework.

5.7 Localisation and the Future of Humanitarian Governance

The localisation of humanitarian assistance, defined as the process of transferring more resources, decision-making authority, and leadership to local and national actors, became one of the most discussed governance reforms in the humanitarian sector during this period. The case for localisation rested on both principled and practical grounds: local actors possessed superior knowledge of the context, languages, and cultural dynamics of the communities they served, could often reach affected populations more quickly and at lower cost than international organisations, and represented a more legitimate and sustainable basis for humanitarian action. The Grand Bargain 2.0 elevated localisation as a core priority, setting ambitious targets for direct funding to local and national responders and calling for the removal of bureaucratic barriers that hindered their participation in the humanitarian coordination system. The COVID-19 pandemic, which restricted the movement of international personnel, provided an unplanned but powerful demonstration of the capacity of local actors to lead humanitarian responses when empowered with adequate resources and authority.

Despite the growing rhetorical consensus around localisation, implementation lagged considerably behind ambition. Direct funding to local actors remained limited, with most resources channelled through international non-governmental organisations and UN agencies that imposed their own operational and compliance requirements. The capacity of local actors to absorb and manage increased funding was constrained by donor reporting requirements, security management standards, and financial regulations designed primarily for large international organisations. Efforts to address these barriers included the development of simplified grant mechanisms, pooled funding vehicles with lower access thresholds, and capacity-building programmes tailored to the needs of local responders. The humanitarian governance landscape also saw the emergence of new actors and approaches, including the growing role of diaspora organisations, the use of digital platforms for direct community engagement, and experimentation with locally led adaptation and resilience programmes that bridged the humanitarian-development nexus.

5.8 Protracted Displacement and Durable Solutions

The growing prevalence of protracted displacement situations, in which refugees and internally displaced persons remained displaced for extended periods, emerged as one of the most significant governance challenges confronting the international community. By 2023, the majority of the world's refugees had been displaced for five years or more, and many had spent decades in exile. Protracted displacement generated profound human costs, including the loss of livelihoods and skills, the erosion of social networks, psychological trauma, and the deprivation of fundamental rights, particularly the right to education and work. For host countries, many of which were low- or middle-income states, the prolonged presence of large refugee populations strained public services, labour markets, and social cohesion, and in some cases contributed to political instability.

The search for durable solutions, encompassing voluntary repatriation, local integration, and resettlement, achieved limited progress during the analytical period. Voluntary repatriation, traditionally the most preferred solution, remained constrained by the persistence of conflict and persecution in countries of origin, as well as by the lack of conditions for safe and dignified return in places such as Afghanistan, Syria, South Sudan, and Myanmar. Local integration, while legally recognised as a durable solution, faced political resistance in many host countries and was complicated by competition for scarce resources and services. Third-country resettlement, the most protected pathway for the most vulnerable refugees, reached historically low levels during the COVID-19 pandemic before recovering partially, but the gap between resettlement needs and available places remained enormous. The Global Compact on Refugees, affirmed by the UN General Assembly in December 2018, provided a framework for burden- and responsibility-sharing, and the Global Refugee Forum held in December 2023 generated new pledges from states, international organisations, civil society, and the private sector. However, the translation of these pledges into concrete outcomes for displaced populations remained the critical test of the compact's effectiveness.

5.9 Climate-Induced Displacement and the Nansen Initiative

Climate-induced displacement moved from the periphery to the centre of the international governance agenda during the analytical period, as the scale and visibility of climate-related displacement grew and the scientific evidence linking climate change to human mobility strengthened. The Nansen Initiative, launched in 2012 and concluding with the adoption of the Nansen Initiative Protection Agenda in 2015, had laid the groundwork for international recognition of the protection needs of people displaced across borders by sudden-onset disasters and slow-onset environmental change. Its successor, the Platform on Disaster Displacement, established in 2016, continued to promote the implementation of the Protection Agenda and to support the development of national and regional policies addressing disaster displacement. By 2023, the platform had engaged with over a hundred countries on measures to address disaster-related displacement, including planned relocation, temporary stay arrangements, and the facilitation of cross-border movement in the context of disasters.

Despite this progress, the international governance framework for climate-induced displacement remained fragmented and inadequate. No binding international instrument specifically addressed the protection needs of people displaced across national borders by the adverse effects of climate change, leaving a significant normative and legal gap. The 1951 Refugee Convention, drafted in the context of post-Second World War population movements, did not recognise climate or environmental factors as grounds for refugee status, and efforts to expand the definition or develop complementary protection mechanisms had produced limited results. At the regional level, the African Union Convention for the Protection and Assistance of Internally Displaced Persons in Africa, known as the Kampala Convention, and the ASEAN Agreement on Disaster Management and Emergency Response provided some relevant frameworks, though implementation varied. The UN Framework Convention on Climate Change process began to engage more substantively with human mobility, with the Task Force on Displacement established under the Warsaw International Mechanism producing recommendations on integrated approaches to avert, minimise, and address displacement. The growing recognition of loss and damage in the climate negotiations, culminating in the operationalisation of a loss and damage fund at COP28, held potential implications for addressing climate-induced displacement, though the specific linkages between loss and damage finance and displacement protection remained to be elaborated.

Chapter 6: Economic Governance and Financial Stability

6.1 Global Economic Performance in 2023

The global economy in 2023 navigated a complex landscape shaped by the persistent aftershocks of the COVID-19 pandemic, the economic consequences of the Russia-Ukraine war, and the most aggressive monetary policy tightening cycle undertaken by major central banks in four decades. The International Monetary Fund's World Economic Outlook, published in October 2023, projected global growth at 3.0 percent for the year, a modest deceleration from 3.5 percent in 2022 but a performance that exceeded the more pessimistic forecasts issued earlier in the year [1]. This headline figure, however, masked significant divergence across regions and income groups. Advanced economies experienced a pronounced growth slowdown, with the euro area edging toward stagnation and the United States demonstrating greater resilience than expected, supported by robust labour market conditions and consumer spending. Emerging market and developing economies showed considerable heterogeneity, with China's post-pandemic reopening generating a temporary boost that faded more quickly than anticipated, while India maintained strong growth momentum and several low-income countries faced severe macroeconomic strain.

Indicator	2020	2021	2022	2023 (est.)
Global GDP Growth (%)	-3.1	6.0	3.5	3.0
Global Inflation (%)	3.2	4.7	8.7	6.8
Global Trade Growth (%)	-5.2	10.4	2.7	-1.2
FDI Flows (USD trillion)	0.96	1.58	1.29	1.37
Official Development Assistance (USD billion)	161	179	204	N/A

Table 4: Key Macroeconomic Indicators, 2020-2023. Sources: IMF WEO October 2023 [1]; WTO Statistical Review 2023 [5]; UNCTAD World Investment Report 2023 [42]; OECD [48]. Note: 2023 figures are IMF/WTO estimates or preliminary data as of October 2023.

Inflation, which had surged to multi-decade highs in 2022, began to moderate in 2023 as the cumulative impact of monetary tightening and the normalisation of energy and food prices took effect. However, core inflation proved stubbornly persistent in many advanced economies, reflecting tight labour markets, elevated service sector prices, and the gradual pass-through of earlier cost increases. Central banks in the United States, the euro area, and the United Kingdom maintained restrictive policy stances throughout much of 2023, with the US Federal Reserve holding the federal funds rate at a target range of 5.25 to 5.50 percent by year-end. The European Central Bank and the Bank of England similarly maintained elevated policy rates, though both signalled that the end of the tightening cycle was approaching. For developing countries, the monetary policy environment posed acute challenges, as higher interest rates in advanced economies attracted capital flows away from emerging markets, pressured exchange rates, and raised the cost of servicing external debt denominated in foreign currencies. The World Bank documented that the combination of higher borrowing costs, reduced fiscal space, and slowing external demand was pushing a growing number of developing countries into economic distress [7].

6.2 The International Monetary Fund

The International Monetary Fund occupied a central position in the global economic governance architecture during the analytical period, deploying its financial resources and policy advisory capacity on a scale not seen since the global financial crisis of 2008-2009. The Fund's most significant systemic intervention was the allocation of approximately $650 billion in Special Drawing

Rights in August 2021, the largest such allocation in the institution's history. This allocation was designed to boost global liquidity and provide member states with additional reserve assets to navigate the economic fallout of the pandemic. It was operationally and conceptually distinct from the Fund's emergency lending programmes, which involved separate lending commitments. Between March 2020 and December 2021, the IMF's COVID-era emergency financing facilities, including the Rapid Credit Facility and the Rapid Financing Instrument, delivered approximately $160 billion in emergency lending to member countries, providing critical balance of payments support to over 90 nations during the most acute phase of the pandemic.

The question of SDR reallocation, specifically the voluntary channeling of SDRs from wealthy countries to vulnerable developing and low-income nations, became a significant governance issue. While the G20's Common Framework for Debt Treatments and the establishment of the Resilience and Sustainability Trust were intended to facilitate this channeling, progress was slow and the volumes transferred fell short of the needs of the most vulnerable countries. On 15 December 2023, the IMF Board of Governors approved a 50 percent equiproportional increase in member quotas, the first such increase since 2010, which would raise total quotas to approximately $1.16 trillion and strengthen the Fund's permanent resource base while leaving members' quota shares unchanged at that time. The decision also called for further work on possible approaches to future quota realignment to better reflect changes in the world economy. Emerging market and developing countries continued to advocate for more ambitious reforms that would deliver greater voting power commensurate with their growing economic weight, reflecting persistent concerns that the composition and voting power of the Executive Board remained insufficiently representative of the contemporary global economy. The broader governance reform agenda at the Fund, including the composition and selection of the Executive Board and the Managing Director, remained an ongoing source of contention.

6.3 The World Bank Group and Development Finance

The World Bank Group underwent a significant leadership transition during the analytical period. The appointment of Ajay Banga as President in 2023, succeeding David Malpass, signalled a shift toward a more expansive interpretation of the Bank's mandate, with greater emphasis on addressing global public goods, particularly climate change, pandemics, and fragility. The Bank's Evolution Roadmap, developed through an extensive consultation process, proposed reforms to its financial model, operational approaches, and institutional structure to enable it to respond more effectively to the scale and complexity of global development challenges. Key elements of the reform agenda included the expansion of lending headroom through balance sheet optimisation, the integration of climate considerations across all lending operations, and the strengthening of concessional financing for the poorest countries through the International Development Association.

The World Bank's lending volumes increased substantially during the analytical period, reaching record levels as developing countries faced compounding crises. The Bank's response to the Russia-Ukraine war included emergency financing for Ukraine and neighbouring countries, as well as support for countries affected by the disruption of food and energy supplies. The International Finance Corporation, the Bank's private sector arm, expanded its mobilisation of private capital for development, though the gap between investment needs in developing countries and available financing continued to widen. The World Bank's relationship with other multilateral development banks and regional development institutions evolved, with growing emphasis on coordination and complementarity in responding to shared challenges. Proposals for a fundamental increase in the lending capacity of multilateral development banks, including through the more aggressive use of callable capital and innovative financial instruments, gained traction in G20 discussions and were reflected in the New Delhi Declaration of September 2023 [22].

6.4 Debt Distress and Sovereign Debt Restructuring

The sovereign debt crisis facing developing countries emerged as one of the most pressing economic governance challenges of the analytical period. The combination of the pandemic-induced economic contraction, rising interest rates, currency depreciation, and elevated commodity prices pushed a growing number of low- and middle-income countries into debt distress. The World Bank and the IMF classified approximately 60 percent of low-income countries as being at high risk of or already in debt distress by 2023, a dramatic deterioration from pre-pandemic levels. Total external debt servicing costs for developing countries surged, consuming an increasing share of government revenues that would otherwise have been directed toward health, education, and infrastructure investment. The situation was compounded by the growing complexity of sovereign debt structures, which now included bonds held by diverse private creditors, bilateral loans from non-Paris Club lenders, particularly China, and debt owed to multilateral development banks, making coordination among creditors considerably more difficult than in previous debt crisis episodes.

The G20 Common Framework for Debt Treatments beyond the DSSI, established in November 2020, represented the principal governance mechanism for addressing sovereign debt distress in low-income countries. By late 2023, however, the Framework had delivered restructuring outcomes for only a handful of countries, including Chad, Ethiopia, Ghana, and Zambia, and the processes had been characterised by protracted negotiations, coordination failures among creditors, and inadequate debt relief for the countries involved. China's role as a major bilateral creditor to developing countries introduced new dynamics into the debt restructuring process, as its lending practices, which often involved collateralised loans, commodity-backed repayment arrangements, and non-disclosure agreements, differed significantly from those of traditional Paris Club creditors. The exclusion of middle-income countries from the Common Framework, despite the fact that many faced similar debt sustainability challenges, represented a significant gap in the governance architecture. UNCTAD's 2023 analysis highlighted the systemic dimensions of the debt crisis, arguing that the international financial architecture required fundamental reform to prevent recurring cycles of debt accumulation and restructuring that disproportionately affected developing countries [42].

6.5 The G20 and Macroeconomic Coordination

The G20 remained the principal forum for international macroeconomic policy coordination during the analytical period, though its effectiveness was tested by the sharp geopolitical divisions that emerged following the Russia-Ukraine war. The Indonesian presidency in 2022 and the Indian presidency in 2023 both sought to maintain the G20's convening power and to advance policy agendas on issues of common concern, including food security, energy transition, digital economy governance, and multilateral development bank reform. The G20 New Delhi Declaration, adopted in September 2023, was a notable diplomatic achievement given the deep divisions among members over the war in Ukraine [22]. While the declaration addressed the war in relatively restrained language, noting that all states must refrain from the threat or use of force to seek territorial acquisition, it achieved consensus on a broad range of economic governance issues, including commitments to strengthen multilateral development banks, promote financial inclusion, and accelerate progress on the Sustainable Development Goals.

A landmark development in G20 governance was the permanent accession of the African Union as a member on 9 September 2023, alongside the continuation of the European Union's membership. This decision addressed a long-standing criticism of the G20's composition, which had excluded the continent's 54 countries from direct representation despite Africa being profoundly affected by the global economic governance decisions taken within the forum. The inclusion of the African Union was expected to bring greater attention to issues of particular relevance to the continent, including climate finance, debt relief, and infrastructure investment, though the practical impact would depend on the AU's capacity to engage effectively in G20 deliberations and on the willingness of other members to accommodate its priorities. The G20's work on financial regulation, coordinated through the Financial Stability Board, continued to focus on the implementation of post-2008 reforms, the management of non-bank financial intermediation, and the governance implications of emerging financial technologies, including crypto-assets and stablecoins.

6.6 The SDG Financing Gap

The financing gap for achieving the Sustainable Development Goals widened significantly during the analytical period, reversing earlier progress and threatening the prospects of meeting the 2030 targets. The UN SDG Report 2023 estimated that the annual investment gap in developing countries had grown from approximately $2.5 trillion pre-pandemic to over $4 trillion, reflecting both increased needs and reduced fiscal capacity [2]. The pandemic-induced economic contraction, the inflationary surge, and the tightening of global financial conditions all constrained the ability of developing country governments to invest in SDG-related priorities. At the same time, official development assistance, while increasing in nominal terms, failed to keep pace with growing needs. ODA from OECD Development Assistance Committee members reached $204 billion in 2022, a record in nominal terms but representing only a modest increase in real terms, with preliminary estimates for 2023 suggesting that the growth trajectory was flattening.

The international community explored multiple pathways to close the SDG financing gap. The Addis Ababa Action Agenda, adopted in 2015, provided the overarching framework for financing sustainable development, encompassing domestic resource mobilisation, international public finance, private investment, trade, and systemic issues. Progress on domestic resource mobilisation, the most significant source of development financing, was uneven, with tax-to-GDP ratios remaining low in many developing countries due to narrow tax bases, weak administration, and large informal sectors. International efforts to combat tax evasion and avoidance, including the OECD-led Inclusive Framework on Base Erosion and Profit Shifting, produced a landmark agreement on a global minimum corporate tax rate of 15 percent, though the implementation timeline and the adequacy of the rate for generating significant additional revenue in developing countries remained subjects of debate. The use of blended finance and risk-sharing instruments to mobilise private capital for SDG-related investments expanded, though the evidence on the additionality and development impact of such approaches remained mixed. The UN Secretary-General's proposal for an SDG Stimulus, calling for an additional $500 billion annually in financing for developing countries, reflected the urgency of the situation and the inadequacy of existing governance mechanisms to deliver financing at the required scale.

6.7 Inequality and Economic Governance

Economic inequality, both between and within countries, remained a central challenge for global economic governance throughout the analytical period. The COVID-19 pandemic initially widened within-country inequality in many jurisdictions, as lower-income workers in service sectors were more likely to lose employment or income while higher-income professionals adapted more readily to remote work. The subsequent recovery, however, produced a more nuanced picture, with tight labour markets in advanced economies supporting wage growth for lower-income workers and temporarily compressing wage differentials. In developing countries, the distributional consequences of the pandemic, combined with the inflationary surge of 2022, were more severe, as food and energy price increases consumed a disproportionate share of the household budgets of poorer populations. The World Bank documented that the pandemic had reversed years of progress in poverty reduction, with an estimated 70 million additional people pushed into extreme poverty between 2020 and 2022 [7].

Between-country inequality, measured by differences in per capita income across nations, showed more complex dynamics. The strong recovery in China and India supported a continued convergence in average incomes between developing and advanced economies, though this aggregate picture masked significant divergence among developing countries themselves. Commodity-exporting countries benefited from the price surge in 2022 before experiencing the volatility of the subsequent correction. Low-income countries that lacked access to international capital markets and depended heavily on concessional financing were left increasingly behind. The governance of inequality required coordinated action across multiple domains, including fiscal policy, labour market regulation, education and skills development, and social protection. The expansion of social protection systems during the pandemic, including cash transfer programmes in countries ranging from Togo to Colombia, demonstrated that rapid scaling of safety nets was possible when political will and institutional capacity aligned. Sustaining these expansions beyond the crisis phase, however, required fiscal reforms and revenue mobilisation strategies that many developing countries struggled to implement in the context of debt distress and constrained borrowing conditions.

6.8 International Tax Cooperation

International tax cooperation advanced significantly during the analytical period, driven by the recognition that the existing international tax framework was inadequate to address the challenges of globalisation, digitalisation, and base erosion and profit shifting by multinational enterprises. The OECD's Inclusive Framework on Base Erosion and Profit Shifting, involving over 140 jurisdictions, negotiated a two-pillar solution that represented the most comprehensive reform of international tax rules in a century. Pillar One sought to reallocate taxing rights to market jurisdictions, ensuring that multinational enterprises paid tax in the countries where their users and customers were located, regardless of their physical presence. Pillar Two established a global minimum corporate tax rate of 15 percent, designed to end the race to the bottom in corporate taxation and to discourage profit shifting to low-tax jurisdictions. By late 2023, the EU had adopted the necessary legislation to implement Pillar Two, and several other jurisdictions were advancing their own domestic measures.

Despite this progress, significant challenges remained. The implementation timeline for Pillar One slipped repeatedly, as negotiations over the scope and administration of the new taxing rules proved complex and contentious. Developing countries expressed concerns that the 15 percent minimum rate was too low to generate meaningful additional revenue and that the allocation of taxing rights under Pillar One did not adequately reflect the economic activity occurring in their jurisdictions. The governance of international tax cooperation itself was contested, with developing countries advocating for a more inclusive and transparent negotiating framework within the United Nations, where they would have greater voice than in the OECD-led process. The adoption by the UN General Assembly of a resolution to initiate intergovernmental negotiations on international tax cooperation reflected this demand for a more democratic governance structure. The effectiveness of international tax cooperation ultimately depended on the willingness of jurisdictions to implement and enforce agreed rules, to exchange information transparently, and to address the capacity constraints that prevented many developing country tax authorities from effectively auditing and collecting taxes from multinational enterprises operating within their borders.

6.9 Migration Governance

The governance of international migration remained one of the most contentious and under-institutionalised areas of global economic governance during the analytical period. The Global Compact for Safe, Orderly and Regular Migration, adopted by the UN General Assembly in December 2018, provided a non-binding framework for international cooperation on migration, but its implementation was uneven and often overshadowed by the political sensitivity of the issue in many member states. The International Migration Review Forum, held in 2022 to assess progress on the Compact's implementation, highlighted both achievements and persistent gaps, including the continued vulnerability of migrant workers to exploitation, the limited pathways for regular migration, and the inadequate protection of migrants' human rights in transit and destination countries.

The economic dimensions of migration governance received growing attention, as evidence accumulated that well-managed migration could generate significant benefits for both origin and destination countries. Remittances from migrant workers to low- and middle-income countries reached an estimated $656 billion in 2022, exceeding foreign direct investment and official development assistance as a source of external financing for many developing countries. The governance of remittance flows, including the reduction of transaction costs towards the target of three percent established under Sustainable Development Goal target 10.c, remained a priority, though progress was uneven across corridors. The labour market integration of migrants in destination countries, the recognition of qualifications, and the portability of social security benefits were areas where governance gaps persisted. The intersection of migration governance with other policy domains, including trade, investment, and development cooperation, was increasingly recognised, as the structural drivers of migration, including poverty, inequality, conflict, and climate change, could not be addressed through migration policy alone.

6.10 The Anti-Corruption Governance Framework

The international anti-corruption governance framework gained momentum during the analytical period, as the economic costs of corruption and its corrosive effects on governance, development, and public trust became increasingly apparent. The twentieth anniversary of the United Nations Convention against Corruption, observed in 2023, provided an occasion for stock-taking and for strengthening the implementation of the convention, which remained the only legally binding universal instrument against corruption. The Conference of the States Parties to UNCAC advanced work on several important areas, including the recovery and return of stolen assets, the prevention of corruption in public procurement, and the protection of whistle-blowers and journalists who reported on corruption. The first session of the UN General Assembly Special Session against Corruption, held in 2021, had adopted a political declaration that committed member states to concrete anti-corruption actions, and the follow-up process continued through the analytical period.

Despite these institutional advances, corruption remained a pervasive challenge that undermined economic governance at both national and international levels. The diversion of public resources through corrupt practices reduced the fiscal space available for development investments and social spending, disproportionately affecting the poorest and most vulnerable populations. In the context of the COVID-19 pandemic, reports of corruption in the procurement of medical supplies and the distribution of emergency assistance highlighted the urgency of strengthening transparency and accountability mechanisms in crisis response. At the international level, the governance of illicit financial flows, which were closely linked to corruption, remained inadequate. The Financial Action Task Force continued to set standards for anti-money laundering and counter-terrorist financing, and its mutual evaluation process provided an important mechanism for assessing country compliance. However, the enforcement of these standards was uneven, and significant gaps remained in the regulation of beneficial ownership, the supervision of non-financial professions vulnerable to money laundering, and the international cooperation required to trace and recover assets transferred across jurisdictions. The integration of anti-corruption measures into the governance of international financial institutions, including the World Bank and the regional development banks, continued to evolve, with increased emphasis on preventive measures, sanctions for fraudulent practices, and support for national anti-corruption institutions in borrowing countries.

Chapter 7: Trade and Investment Governance

7.1 World Trade in 2023

Global trade in 2023 contracted in volume terms, marking a sharp reversal from the robust recovery that followed the initial shock of the COVID-19 pandemic. The World Trade Organization estimated in its October 2023 outlook that world merchandise trade volume would decline by approximately 1.2 per cent over the course of the year, a preliminary figure that reflected the cumulative impact of monetary tightening, persistent inflation, and waning pandemic-era demand for goods [5]. The downturn was broad-based, affecting both developed and developing economies, though the composition of trade shifts varied considerably across regions. Advanced economies experienced the steepest import declines as household spending shifted from manufactured goods back towards services, while many developing economies faced tightening external financing conditions that constrained both import demand and export capacity.

The nominal value of global merchandise trade, while still elevated relative to pre-pandemic levels, declined from the record highs registered in 2022. This nominal contraction was driven in part by the normalisation of commodity prices following the spikes triggered by the conflict in Ukraine, as well as by the strengthening of the US dollar against most major currencies, which reduced the dollar-denominated value of trade flows. Trade in services showed somewhat greater resilience, buoyed by the continued recovery of international travel and tourism, though even this sector fell short of the momentum anticipated at the beginning of the year. The overall picture was one of a global trading system adjusting to a fundamentally different macroeconomic environment from the one that had prevailed during the 2021-2022 rebound period.

Trade performance diverged significantly across regions. East Asian export powerhouses saw their export volumes moderate as demand for electronics and consumer goods softened in Western markets. Commodity-exporting developing countries faced a more complex situation: while some benefited from still-elevated energy prices during the first half of the year, the broad-based commodity price correction that unfolded over subsequent months eroded terms of trade gains. Africa's share of global trade remained marginal at approximately 2.5 per cent, despite the operationalisation of the African Continental Free Trade Area, reflecting persistent infrastructure deficits, limited productive capacity, and the concentration of exports in a narrow range of primary commodities. The least developed countries as a group continued to face structural impediments to trade integration, including high transport costs, inadequate trade-related infrastructure, and limited participation in global value chains.

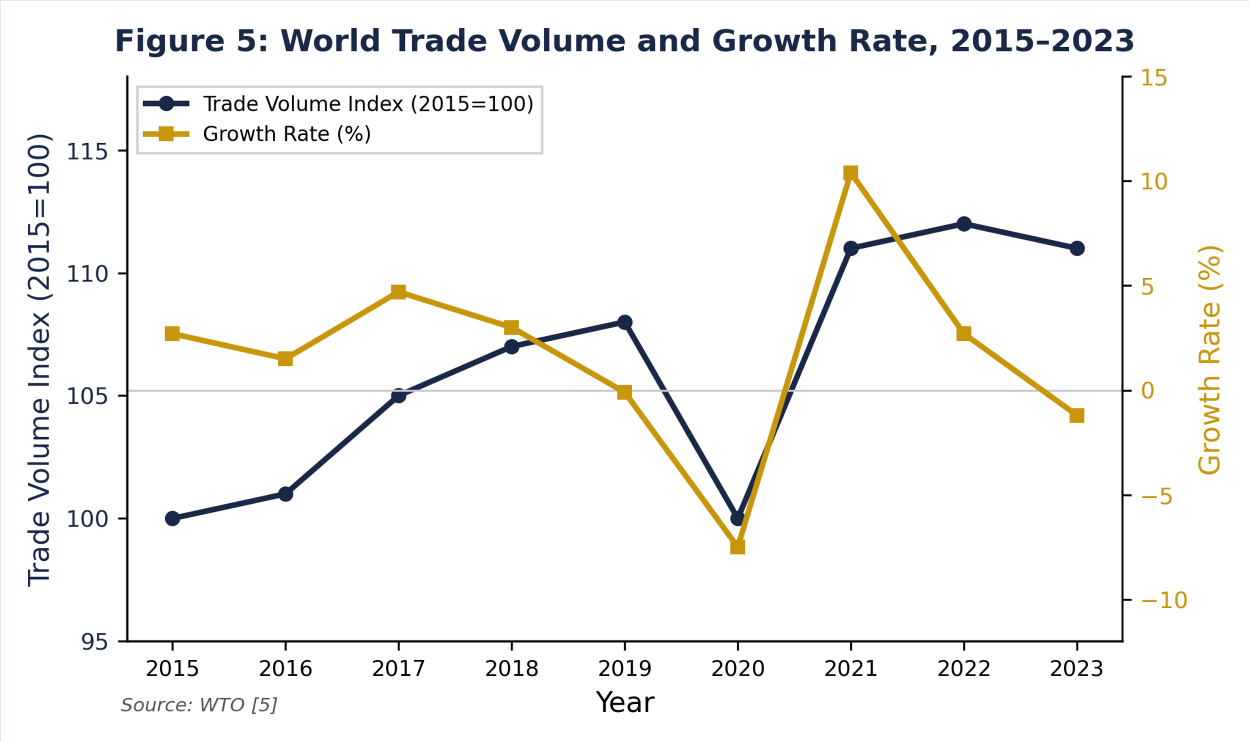

Figure 5: World Trade Volume and Growth Rate, 2015-2023

Source: WTO Statistical Review 2023; WTO October 2023 forecast [5].

7.2 The WTO Reform Impasse

The World Trade Organization entered 2023 in a state of institutional crisis that remained fundamentally unresolved by the end of the analytical period. The most acute manifestation of this crisis was the continued non-functionality of the Appellate Body, which had been unable to operate since December 2019 due to the United States blocking the appointment of new members. The absence of a functioning appellate mechanism undermined the dispute settlement system that had long been regarded as the central pillar of the multilateral trading architecture. While a number of ad hoc arrangements, including the Multi-Party Interim Appeal Arbitration Arrangement (MPIA), emerged to provide partial substitutes, the lack of a universal, binding mechanism for resolving trade disputes weakened the rules-based trading system and created incentives for unilateral and bilateral approaches to trade friction resolution [5].

The Thirteenth Ministerial Conference (MC13), originally scheduled for February 2024 in Abu Dhabi, loomed as a critical juncture for WTO reform, though the preparatory process throughout 2023 revealed deep and persistent divisions among members. Negotiations on fisheries subsidies, following the partial agreement reached at MC12 in June 2022, progressed slowly, with disagreements persisting over the scope of exemptions for developing country fishers and the adequacy of notification requirements. Reform of the WTO's negotiating functions faced similar headwinds, as members remained divided on fundamental questions of special and differential treatment, the appropriate balance between consensus-based decision-making and plurilateral approaches, and the incorporation of new issues such as trade and environmental sustainability into the organisation's agenda.

The institutional paralysis extended beyond dispute settlement to encompass the WTO's monitoring and transparency functions. The Trade Policy Review Mechanism continued to operate, but its effectiveness was constrained by resource limitations and the reluctance of some members to engage substantively with peer review processes. The secretariat's analytical capacity remained underfunded relative to the demands placed upon it, particularly as the complexity of trade policy issues expanded to encompass digital trade, climate-related trade measures, and the intersection of trade policy with national security considerations. The broader question of WTO reform was further complicated by the increasingly evident tension between the organisation's universal membership model and the growing prevalence of plurilateral and mini-lateral initiatives that operated outside its formal framework.

7.3 Investment Governance and FDI Trends

Global foreign direct investment flows declined in 2023 from the elevated levels recorded in 2022, continuing a pattern of volatility that had characterised international investment flows since the onset of the pandemic. UNCTAD reported that global FDI stood at approximately $1.29 trillion in 2022, and preliminary estimates for 2023 pointed to a moderation driven by multiple factors including higher borrowing costs, reduced corporate profitability, and heightened geopolitical uncertainty [42]. The investment landscape was marked by a pronounced bifurcation: while greenfield investment in certain sectors, particularly renewable energy and digital infrastructure, showed resilience, merger and acquisition activity contracted sharply as financing conditions tightened and regulatory scrutiny of cross-border deals intensified.

Developing economies attracted a declining share of global FDI flows during the period under review, reversing the modest gains achieved in 2021. The least developed countries remained severely under-represented as recipients of international investment, with flows concentrated in a small number of larger emerging markets. International investment agreements continued to proliferate, though the pace of new treaty concluded slowed relative to earlier decades, reflecting growing scepticism among both developed and developing countries regarding the balance of rights and obligations embedded in the traditional bilateral investment treaty model. Several countries, including some in the Association of Southeast Asian Nations region, undertook comprehensive reviews of their investment treaty portfolios, with a view to modernising provisions related to investor-state dispute settlement, the right to regulate, and the treatment of sustainable development objectives.

The relationship between investment governance and national security considerations became increasingly prominent during 2023. A growing number of jurisdictions adopted or strengthened foreign investment screening mechanisms, particularly in sectors deemed critical to national security, including semiconductors, artificial intelligence, quantum computing, and biotechnology. The expansion of these screening regimes, while driven by legitimate security concerns, raised questions about the potential for regulatory fragmentation, the chilling effect on legitimate cross-border investment, and the need for greater international coherence in defining the boundaries between legitimate security regulation and protectionist discrimination. The trend towards securitisation of investment policy added a further layer of complexity to an already challenging investment governance environment.

7.4 Regional Trade Agreements

Regional trade agreements continued to proliferate in 2023, further fragmenting the global trading landscape even as the WTO's multilateral framework struggled to deliver substantive outcomes. The number of regional trade agreements in force exceeded 580 by the end of the analytical period, with new agreements and deepening existing arrangements reflecting the preference of many governments for targeted, often geographically proximate trade partnerships that could deliver results more quickly than WTO negotiations. The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) continued to expand its membership, with the United Kingdom completing its accession process and several other economies advancing applications, signalling the agreement's enduring relevance as a framework for high-standard trade rules in the Indo-Pacific region.

The Regional Comprehensive Economic Partnership (RCEP), which entered into force in January 2022 for most signatories, began to deliver tangible benefits for intra-regional trade in Asia during 2023, though the extent of its impact remained difficult to isolate from broader macroeconomic trends. RCEP's consolidation of existing ASEAN-plus-one agreements into a single framework represented a significant step towards reducing the complexity of overlapping bilateral preferential arrangements in the region. In Africa, the operationalisation of the African Continental Free Trade Area continued to advance, with the launch of the Guided Trade Initiative facilitating initial commercial exchanges under the agreement's preferential terms, though full implementation of the agreement's ambitious liberalisation agenda remained a long-term endeavour.

The proliferation of regional trade agreements raised persistent concerns about the spaghetti bowl effect, whereby overlapping and inconsistent preferential arrangements increased compliance costs for businesses, particularly small and medium-sized enterprises, and diverted trade in ways that were not always consistent with economic efficiency. Moreover, the growing divergence between different regional agreements on issues such as digital trade, state-owned enterprises, labour standards, and environmental provisions complicated the prospect of future multilateral convergence. The tension between regionalism and multilateralism remained one of the defining structural challenges facing the global trade governance architecture, with no clear resolution in sight as the analytical period drew to a close.

7.5 Supply Chain Governance and Geoeconomic Fragmentation

The reconfiguration of global supply chains that accelerated during the pandemic years continued to evolve in 2023, driven by a combination of risk management imperatives, geopolitical tensions, and government industrial policy interventions. The concept of friend-shoring or near-shoring, while difficult to measure precisely, exercised a growing influence on corporate location decisions and government policy frameworks. Major economies introduced or expanded industrial policy programmes aimed at reshoring critical manufacturing capabilities, most notably in the semiconductor sector, where the United States CHIPS and Science Act and the European Chips Act sought to reduce dependence on concentrated production bases in East Asia. These policy interventions, while addressing legitimate supply chain security concerns, raised questions about their compatibility with multilateral trade rules prohibiting subsidies that distort international trade.

Geoeconomic fragmentation emerged as one of the most consequential structural trends affecting the global trading system. The IMF and World Bank both warned during 2023 that the progressive decoupling of the world economy into competing geopolitical blocs could reduce global GDP by several percentage points over the medium term, with the costs falling disproportionately on developing economies that lacked the economic weight to navigate between competing systems. Trade restrictions imposed on national security grounds expanded in scope and application, covering an increasingly broad range of products and technologies. Export controls on advanced semiconductors and semiconductor manufacturing equipment, imposed by the United States and allied jurisdictions, represented a significant escalation in the use of trade policy as an instrument of geopolitical competition, with potentially far-reaching implications for the global technology ecosystem.

The governance of supply chains was further complicated by new regulatory requirements relating to environmental sustainability and human rights due diligence. The European Union's proposed Corporate Sustainability Due Diligence Directive and Deforestation Regulation established precedent-setting requirements for companies to trace and verify the sustainability characteristics of their supply chains. While these regulations addressed genuine governance gaps, their extraterritorial implications and implementation challenges created friction with trading partners, particularly developing countries whose export sectors faced heightened compliance burdens. The intersection of supply chain governance with climate policy, labour standards, and human rights obligations represented a rapidly expanding but still poorly coordinated domain of international economic governance.

7.6 Digital Trade Governance

Digital trade continued to grow as a share of global commerce in 2023, even as the overall trade environment contracted, underscoring the structural shift towards the digitalisation of economic activity. Cross-border data flows, digital services delivery, and e-commerce platforms became increasingly central to international trade, yet the governance framework for digital trade remained fragmented and contested. The WTO Joint Statement Initiative on E-Commerce, involving approximately 90 members, made incremental progress in negotiations covering issues such as electronic signatures, online consumer protection, transparency, and paperless trading, but fundamental disagreements on data localisation requirements, cross-border data transfers, and source code disclosure remained unresolved. The absence of multilateral rules specifically designed for the digital economy meant that digital trade was increasingly governed by a patchwork of bilateral and regional agreements with divergent provisions.

The governance of cross-border data flows emerged as one of the most contentious issues at the intersection of trade, technology, and national security policy. A growing number of jurisdictions introduced data localisation requirements, restricting the transfer of personal and sometimes non-personal data across borders, citing privacy protection, national security, and regulatory enforcement objectives. These measures, while serving various policy purposes, created significant barriers to digital trade and complicated the operations of multinational enterprises that relied on integrated data management systems. Concurrently, the development of data governance frameworks, including the EU's Data Act and Data Governance Act, represented efforts to establish comprehensive regulatory architectures for data as an economic asset, though their trade implications remained subject to ongoing assessment and debate.

The taxation of the digital economy remained an unresolved governance challenge, notwithstanding the progress achieved under the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting. While the framework's Pillar One and Pillar Two agreements represented a significant multilateral achievement, their implementation timeline extended well beyond the analytical period, and several jurisdictions continued to pursue unilateral digital services taxes or equivalent measures. The intersection of digital trade governance with competition policy, intellectual property, and cybersecurity added further layers of complexity, highlighting the need for more integrated and coherent approaches to governing the digital dimension of international economic activity.

7.7 Commodity Markets and Food Security Governance

Global commodity markets experienced a period of price correction in 2023 following the extreme volatility of 2021-2022, though prices for many primary commodities remained elevated relative to pre-pandemic levels. Energy prices declined from their 2022 peaks but continued to exhibit significant volatility, influenced by OPEC+ production decisions, the gradual adjustment of global energy markets to the sanctions regime affecting Russian exports, and growing concerns about the adequacy of investment in new supply capacity. Agricultural commodity prices also moderated, benefiting from improved harvest conditions in several major producing regions, though food price inflation in many developing countries remained stubbornly high due to currency depreciation, domestic supply constraints, and the lagged pass-through of international price movements to local markets.

Food security governance remained a critical concern throughout the analytical period, with the number of people facing acute food insecurity remaining at historically elevated levels. The Black Sea Grain Initiative, brokered by Turkey and the United Nations in July 2022, facilitated the export of significant volumes of Ukrainian grain and other foodstuffs, contributing to the stabilisation of global grain markets, though its operation was subject to repeated interruptions and political uncertainty. The initiative's fragile status underscored the vulnerability of global food supply chains to geopolitical disruption and the inadequacy of existing institutional arrangements for ensuring the reliable flow of essential food commodities during periods of international crisis. Multilateral efforts to strengthen food security governance, including the revitalisation of the Committee on World Food Security and various G7 and G20 initiatives, produced declarations and action plans but struggled to translate rhetoric into operational improvements in food system resilience.

The governance of commodity markets more broadly was complicated by the growing interplay between commodity policy and climate policy. The push for renewable energy and electric mobility introduced new demand dynamics for critical minerals, including lithium, cobalt, nickel, and rare earth elements, raising concerns about the concentration of supply in a small number of countries and the environmental and social standards governing extraction. The concept of critical mineral supply chain governance emerged as a new frontier of international economic policy, with multiple jurisdictions developing strategies to secure access to these materials while promoting environmental sustainability and social responsibility in their extraction and processing.

7.8 Investment Treaty Reform

The reform of the international investment treaty regime gathered momentum during 2023, driven by growing dissatisfaction with the traditional model of bilateral investment treaties and investor-state dispute settlement. An increasing number of states undertook comprehensive reviews of their investment treaty portfolios, with several announcing their intention not to renew or replace expiring treaties, or to do so only on substantially revised terms. The United Nations Conference on Trade and Development continued to facilitate discussions on investment treaty reform through its dedicated reform track, providing analytical support and a platform for exchange among negotiating partners. The core issues under discussion included the scope of investment protection, the right of states to regulate in the public interest, the reform of investor-state dispute settlement mechanisms, and the integration of sustainable development considerations into investment agreements.

A notable development was the growing adoption of provisions explicitly recognising the right of states to regulate in pursuit of legitimate public policy objectives, including environmental protection, public health, and labour standards. Several recently concluded or modernised investment treaties incorporated such provisions, often accompanied by specific exclusions or carve-outs for measures taken to implement multilateral environmental agreements. The trend towards the inclusion of corporate responsibility and sustainable development provisions in investment agreements, while still nascent, represented a significant departure from the narrower focus on investment protection that had characterised the earlier generation of treaties. However, the pace and extent of reform remained uneven, with some jurisdictions embracing far-reaching changes while others maintained largely traditional approaches.

The reform of investor-state dispute settlement remained the most technically and politically challenging aspect of investment treaty reform. Proposals ranged from the creation of a multilateral investment court, championed by the European Union, to the wholesale replacement of investor-state dispute settlement with state-to-state dispute resolution only, as advocated by some developing countries and civil society organisations. The absence of a multilateral forum dedicated to investment governance meant that reform proceeded largely through bilateral and regional channels, contributing to the fragmentation of the investment treaty landscape. The lack of a unified approach to investment treaty reform risked creating an increasingly complex and inconsistent web of obligations that could undermine legal certainty for both states and investors.

7.9 The Future of the Multilateral Trading System

The future of the multilateral trading system faced existential questions as the analytical period drew to a close, with the WTO's capacity to fulfil its core functions under sustained pressure. The organisation's three pillars, namely negotiation, monitoring, and dispute settlement, all exhibited signs of strain that, taken together, raised serious concerns about the system's ability to adapt to the challenges of the twenty-first century. The negotiating function had delivered meaningful outcomes at MC12, most notably on fisheries subsidies and the TRIPS waiver for COVID-19 vaccines, but the prospect of further multilateral breakthroughs appeared limited in the near term given the depth of member divisions on fundamental structural issues. The monitoring function continued to provide valuable transparency, but its impact was diminished by the reluctance of some major economies to engage fully with trade policy review processes.

The dispute settlement crisis remained the most visible and arguably the most consequential threat to the multilateral trading system's credibility. Without a functioning Appellate Body, the resolution of trade disputes depended either on mutually agreed solutions, which were not always forthcoming, or on ad hoc arrangements of limited applicability. The broader implication was that the enforcement mechanism that had underpinned the rules-based trading system for a quarter century was effectively in abeyance, with potentially far-reaching consequences for the willingness of governments to make new binding commitments under WTO rules. The reform of dispute settlement thus represented not merely a technical institutional fix but a fundamental test of the international community's commitment to multilateral trade governance.

Looking ahead, the multilateral trading system's viability would depend on its capacity to address several interlinked challenges: restoring a credible dispute settlement mechanism, adapting its rules and negotiating modalities to address twenty-first century trade policy issues, reconciling the legitimate policy space of members with the need for a coherent and predictable trading environment, and ensuring that the benefits of trade liberalisation were more broadly and equitably shared. The analytical period revealed both the depth of the challenges and the continued, if diminished, appetite for multilateral solutions among the WTO's membership. Whether this appetite would prove sufficient to drive the structural reforms necessary to sustain the multilateral trading system remained an open question of profound importance for global economic governance.

7.10 Trade and Climate Policy Interactions

The interaction between trade policy and climate policy emerged as an increasingly prominent and contentious dimension of international economic governance during 2023. The implementation of the European Union's Carbon Border Adjustment Mechanism (CBAM), which entered its transitional phase in October 2023, represented a watershed moment in the relationship between trade and climate governance. The CBAM, designed to prevent carbon leakage by imposing a carbon price on imports of certain carbon-intensive products, was welcomed by climate policy advocates as a necessary complement to domestic carbon pricing, but it drew sharp criticism from developing country trading partners who viewed it as a potential barrier to market access and a form of green protectionism. The WTO compatibility of the mechanism remained subject to ongoing legal and analytical debate, with no definitive resolution as of the end of the analytical period.

The broader question of how to align trade rules with climate objectives generated intense discussion across multiple forums. Proposals for a WTO waiver or amendment to accommodate climate-related trade measures circulated among members, though consensus on the appropriate legal framework remained elusive. Some developing countries expressed concern that climate trade measures could undermine the principle of common but differentiated responsibilities and respective capabilities by imposing uniform standards on economies at vastly different levels of development. At the same time, a growing number of governments recognised that trade policy could serve as a constructive instrument of climate policy, for example through the liberalisation of trade in environmental goods and services, the elimination of fossil fuel subsidies, and the promotion of sustainable supply chains.

The governance of trade-related climate measures remained characterised by institutional fragmentation, with relevant rules and norms scattered across the WTO, the UNFCCC, and various regional and bilateral agreements. The absence of a coherent framework for reconciling trade and climate objectives created legal uncertainty for businesses and governments alike and risked the escalation of trade tensions driven by environmental policy differences. The development of internationally agreed disciplines on climate-related trade measures, including common methodologies for carbon accounting, mutual recognition of carbon pricing mechanisms, and provisions to protect the interests of vulnerable developing countries, represented an urgent governance need that the international community had not yet adequately addressed. As climate policy ambitions continued to ratchet up in the lead-up to the first global stocktake, the trade-climate nexus would only grow in importance and complexity.

Chapter 8: Climate and Environmental Governance

8.1 The State of the Climate Crisis

The period under review, January 2020 through November 2023, witnessed a relentless intensification of the global climate crisis, with each successive year recording new milestones in atmospheric greenhouse gas concentrations, global mean surface temperatures, and the frequency and severity of extreme weather events. According to the World Meteorological Organization, 2023 was on track to be the warmest year on record by a considerable margin, with global mean temperatures approximately 1.4 degrees Celsius above the pre-industrial baseline. This warming was consistent with the long-term trend documented by the Intergovernmental Panel on Climate Change, which had established with high confidence that human-induced climate change was already causing widespread and rapid changes in the atmosphere, ocean, cryosphere, and biosphere. The cumulative carbon budget consistent with limiting warming to 1.5 degrees Celsius continued to shrink, with estimates suggesting that at current emission rates, this budget would be exhausted within approximately a decade.

Global carbon dioxide emissions from energy reached an estimated 36.8 gigatonnes in 2022, according to the International Energy Agency, reflecting a continued dependence on fossil fuels that was fundamentally at odds with the temperature goals of the Paris Agreement [11]. Preliminary data for 2023 suggested that emissions were plateauing rather than declining, driven by a complex interplay of factors including the post-pandemic economic recovery, the energy market disruptions caused by the conflict in Ukraine, and the still-insufficient pace of clean energy deployment. While the rate of growth in emissions had slowed relative to the pre-pandemic decade, absolute emission levels remained far above the trajectory required to achieve the Paris Agreement's goals. The concentration of carbon dioxide in the atmosphere exceeded 420 parts per million in 2023, a level unprecedented in at least 800,000 years and continuing to rise at an accelerating rate.

The physical impacts of climate change manifested with increasing severity and frequency throughout the analytical period. Record-breaking heatwaves affected regions across every continent, from the devastating heat dome that struck North America in 2021 to the extreme temperatures that gripped South Asia, Europe, and China in successive years. Extreme precipitation events, compounded by the enhanced moisture-holding capacity of a warmer atmosphere, produced catastrophic flooding in Pakistan in 2022, parts of East Africa, and numerous other regions. Prolonged droughts affected the Horn of Africa, the western United States, the Mediterranean basin, and the Amazon basin, with cascading impacts on food security, water availability, and ecosystem integrity. These impacts confirmed the IPCC's assessment that the consequences of climate change were already more severe than previously projected and that adaptation efforts were failing to keep pace with the rate of change.

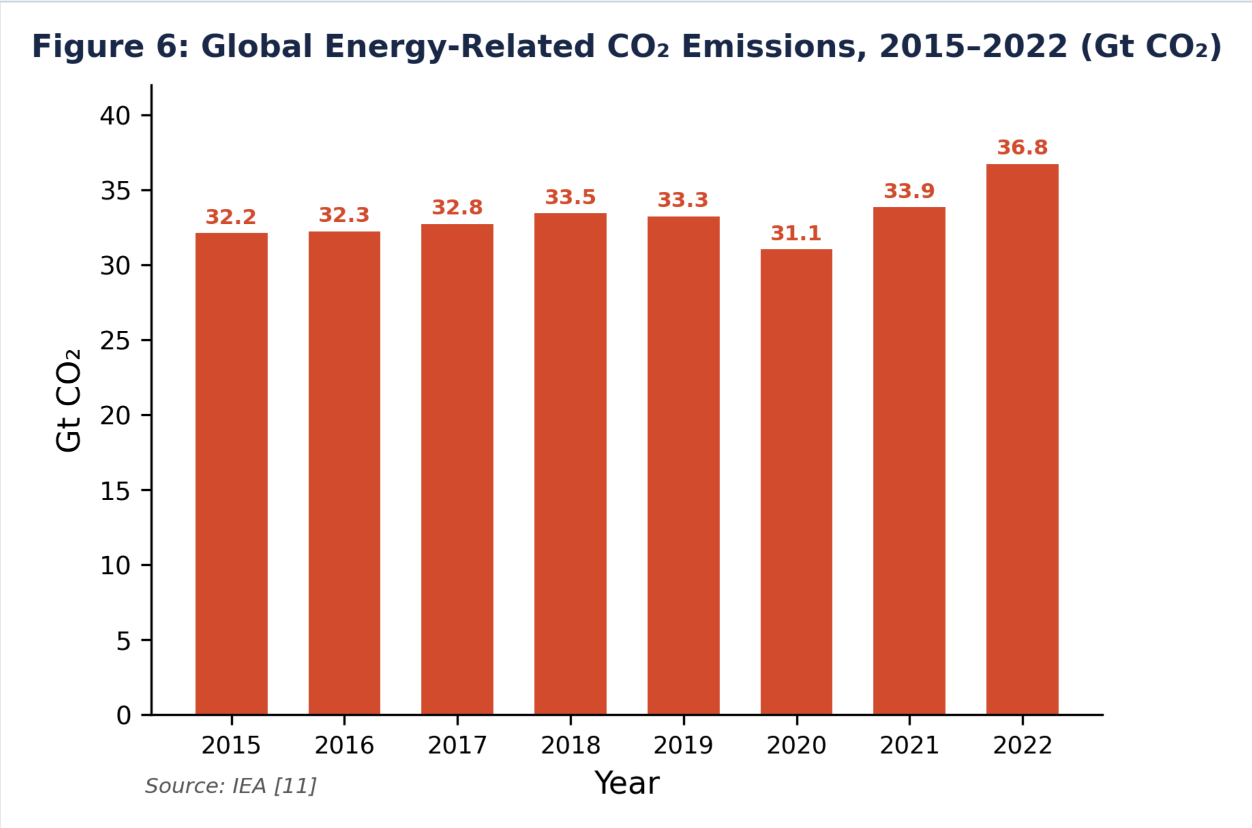

Figure 6: Global Energy-Related CO2 Emissions, 2015-2022 (Gt CO2)

Source: IEA World Energy Outlook 2023 [11].

8.2 COP28 and the Global Stocktake

The twenty-eighth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, held in Dubai from 30 November to 13 December 2023, concluded with the adoption of a decision that was widely regarded as a landmark in the history of the climate regime. The UAE Consensus, adopted on 13 December 2023, represented the first decision by a Conference of the Parties to explicitly reference the need for transitioning away from fossil fuels in energy systems [10]. While the language was carefully negotiated and fell short of the outright phase-out call favoured by many delegations and civil society organisations, its inclusion in a COP decision was nevertheless a significant symbolic and substantive development. The decision also called for tripling renewable energy capacity and doubling the rate of energy efficiency improvements by 2030, targets that aligned with the pathways identified by the International Energy Agency as necessary to limit warming to 1.5 degrees Celsius.

The centrepiece of COP28 was the conclusion of the first global stocktake under the Paris Agreement, a process designed to assess collective progress towards the agreement's goals and inform the next round of nationally determined contributions. The global stocktake's findings were sobering: while the world had made progress in certain areas, including the deployment of renewable energy and the development of national climate plans, collective action remained fundamentally inadequate to achieve the temperature goals of the Paris Agreement. The gap between current pledges and the emissions reductions required to limit warming to 1.5 degrees Celsius remained vast, with the UNFCCC's own assessment indicating that even full implementation of current nationally determined contributions would result in warming of approximately 2.5 to 2.9 degrees Celsius above pre-industrial levels. The stocktake called on parties to submit new nationally determined contributions by early 2025 that were aligned with the 1.5 degree Celsius goal, a requirement that would test the political will of governments across the globe.

The COP28 outcome also addressed several other contentious issues, including the operationalisation of the loss and damage fund agreed at COP27, with initial pledges of funding from developed countries and some emerging economies. While the scale of initial pledges was modest relative to the estimated needs of vulnerable developing countries, the fund's establishment represented an important step in acknowledging the inadequacy of adaptation efforts and the disproportionate burden borne by those least responsible for climate change. The decision on the global goal on adaptation, which had been a subject of protracted negotiation, provided a framework for assessing progress but stopped short of establishing a quantified target. Overall, COP28 produced a mixed outcome: the inclusion of language on fossil fuel transition and renewable energy represented genuine progress, but the absence of binding commitments and the persistent shortfall in climate finance left significant gaps in the global response.

8.3 Climate Finance

Climate finance remained one of the most contentious and inadequately addressed dimensions of the global climate governance architecture throughout the analytical period. The longstanding commitment by developed countries to mobilise USD 100 billion per year in climate finance for developing countries, originally made in 2009 with a target date of 2020, was reportedly met for the first time in 2022, several years behind schedule. OECD data indicated that developed countries provided and mobilised USD 83.3 billion in 2020 and USD 89.6 billion in 2021 for climate action in developing countries [9]. While the upward trajectory was encouraging, the composition of climate finance flows remained a source of significant concern: the majority of reported finance was delivered as loans rather than grants, and the balance between mitigation and adaptation funding continued to favour mitigation despite the urgent adaptation needs of the most vulnerable countries. The Climate Policy Initiative estimated that total global climate finance reached approximately USD 1.27 trillion in 2021-2022, but the overwhelming majority of these flows were directed towards activities within developed countries and large emerging economies, with least developed countries and small island developing states receiving a disproportionately small share [52].

The New Collective Quantified Goal on climate finance, due to be established before 2025 to succeed the USD 100 billion target, emerged as a critical negotiation frontier. Developing countries called for a substantially higher goal, with estimates of annual developing country needs ranging from USD 1 trillion to USD 2.4 trillion by 2030. The question of who should contribute to the new goal, whether the traditional developed country grouping should be expanded, and what instruments should be counted as climate finance all remained subjects of intense and unresolved debate. Multilateral development banks faced growing pressure to reform their operations to better support climate action, including through the scale-up of concessional lending, the mobilisation of private capital, and the integration of climate considerations across their entire portfolios. While several multilateral development banks announced reforms and new climate lending targets during 2023, the pace and ambition of these changes were widely regarded as insufficient relative to the scale of the challenge.

The quality and accessibility of climate finance for the most vulnerable countries remained a persistent governance gap. Access to climate funds, particularly for the least developed countries and small island developing states, was often hampered by complex accreditation requirements, lengthy approval processes, and limited institutional capacity. The fragmentation of the climate finance architecture, with multiple funds, instruments, and channels operating with varying governance structures and eligibility criteria, created coordination challenges and transaction costs that disproportionately affected the smallest and most vulnerable recipients. The Green Climate Fund, the flagship multilateral climate fund, continued to face criticism over the speed of its disbursements and the balance between grants and loans in its portfolio. Addressing these structural deficiencies in the climate finance architecture would be essential to building the trust necessary for a successful outcome on the New Collective Quantified Goal.

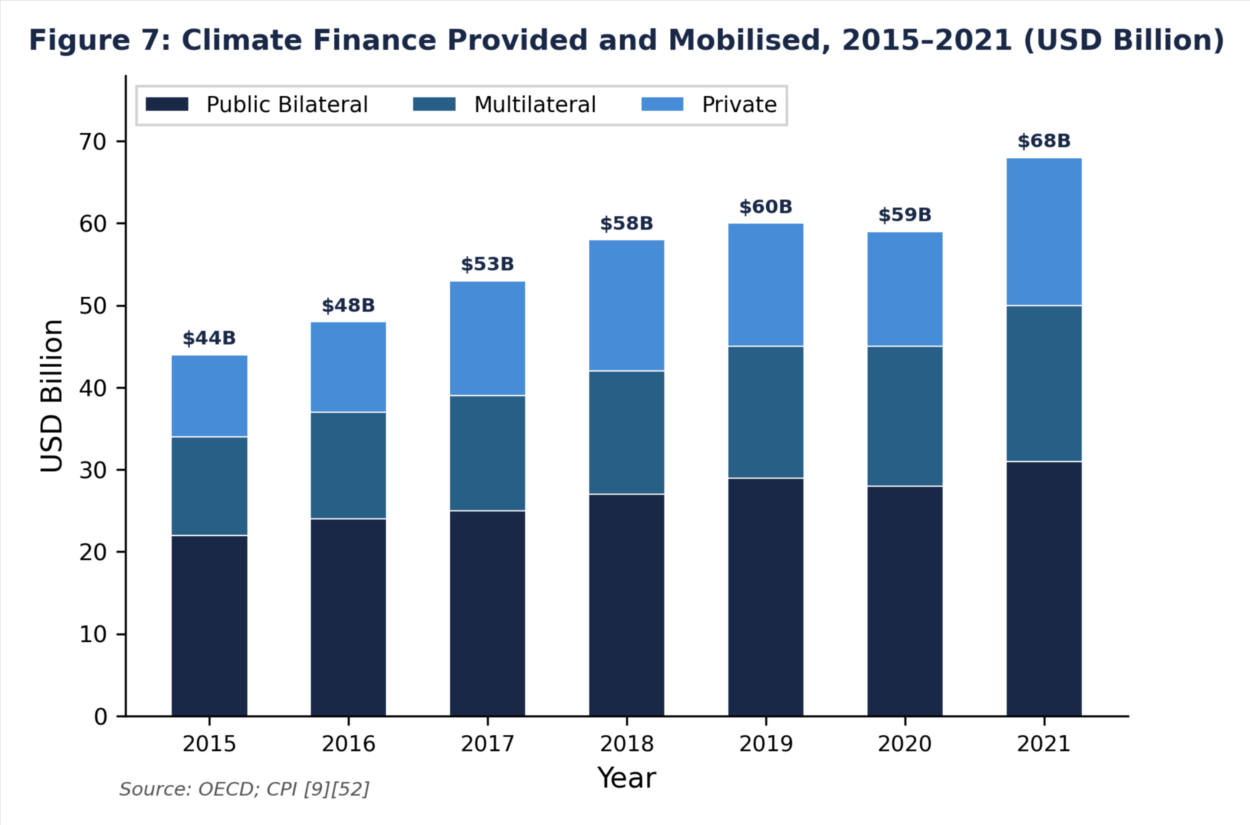

Figure 7: Climate Finance Provided and Mobilised by Developed Countries, 2015-2021 (USD Billion)

Source: OECD; Climate Policy Initiative [9][52].

8.4 Biodiversity and Environmental Governance

The adoption of the Kunming-Montreal Global Biodiversity Framework by the fifteenth meeting of the Conference of the Parties to the Convention on Biological Diversity in December 2022 represented the most significant development in biodiversity governance in over a decade [44]. The framework established four long-term goals for 2050 and 23 action-oriented targets for 2030, including the landmark commitment to conserve at least 30 per cent of the world's land and marine areas by 2030, commonly referred to as the 30x30 target. The framework also addressed the mobilisation of resources for biodiversity conservation, with developed countries committing to mobilise at least USD 200 billion per year by 2030, including USD 30 billion through international biodiversity finance. While the framework was widely welcomed as a necessary and ambitious response to the biodiversity crisis, its implementation faced formidable challenges, including the need for national target-setting, legislative reform, and the mobilisation of financial resources at a scale far exceeding current levels of investment in biodiversity conservation.

The scientific evidence underpinning the biodiversity governance agenda remained alarming. The 2019 Global Assessment Report of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services had established that approximately one million species faced extinction, many within decades, and that the rate of species loss was accelerating [43]. The assessment documented the direct drivers of biodiversity loss as changes in land and sea use, direct exploitation of organisms, climate change, pollution, and invasive alien species, with the first two drivers accounting for the largest share of the impact. Despite the adoption of the Aichi Biodiversity Targets in 2010, none of the twenty targets had been fully achieved by their 2020 deadline, a record of failure that underscored the implementation deficit that had long characterised biodiversity governance. The Kunming-Montreal Framework's success would ultimately depend on whether governments could translate its ambitious targets into concrete policies, adequate funding, and effective monitoring mechanisms, avoiding the pattern of ambitious target-setting followed by inadequate implementation that had characterised previous biodiversity agreements.

The governance of biodiversity and climate change was increasingly recognised as an interconnected challenge requiring integrated policy approaches. Nature-based solutions, which involve the protection, sustainable management, and restoration of natural ecosystems to address climate change, biodiversity loss, and food security simultaneously, gained prominence in both the CBD and UNFCCC processes. The CBD's work on the linkages between biodiversity and climate change sought to ensure that climate mitigation and adaptation actions supported, rather than undermined, biodiversity objectives, particularly in the context of afforestation and renewable energy deployment. However, the institutional separation between the biodiversity and climate regimes, with their distinct membership structures, decision-making processes, and scientific advisory bodies, continued to impede the development of truly integrated governance approaches.

8.5 Adaptation and Resilience

The global adaptation gap, the disparity between the level of adaptation action required and what was actually being implemented, widened during the analytical period, despite growing awareness of the urgent need for adaptation investment. The UNFCCC's Adaptation Gap Report documented that international adaptation finance flows to developing countries remained significantly below the estimated needs, which the UNEP estimated at USD 160-340 billion per year by 2030 and up to USD 565 billion by 2050. The majority of adaptation finance continued to be directed towards large infrastructure projects, with relatively limited resources reaching the local level, where the impacts of climate change were most acutely felt and where community-based adaptation strategies were often most effective. The absence of a quantified global goal on adaptation, which had been a subject of negotiation for over a decade, remained a significant gap in the climate governance framework, though COP28's decision provided a framework for future work on this issue.

National adaptation planning processes advanced unevenly across regions and income groups. Many developing countries had completed or were in the process of developing National Adaptation Plans, but the implementation of these plans was constrained by limited financial resources, institutional capacity gaps, and competing development priorities. The integration of climate adaptation considerations into national development planning, budgeting, and public financial management systems remained incomplete in most countries, contributing to the disconnect between planning and implementation. At the local level, community-based adaptation approaches, which leverage local knowledge and priorities, showed promise but received insufficient support from national and international funding mechanisms. The growing frequency and severity of climate impacts underscored the inadequacy of current adaptation efforts and the need for a step change in the scale, pace, and inclusiveness of adaptation action.

Climate-related displacement and migration emerged as a critical adaptation challenge during the analytical period. The World Bank's Groundswell report projected that climate change could force up to 216 million people to migrate within their own countries by 2050, with the majority of internal climate migrants concentrated in Sub-Saharan Africa, South Asia, and Latin America. The governance of climate-related displacement and migration remained poorly developed, with no dedicated international legal framework or institutional arrangements to address the needs of climate-displaced populations. The Nansen Initiative Protection Agenda and its follow-up, the Platform on Disaster Displacement, provided valuable guidance but lacked binding legal force. The intersection of climate change with existing patterns of conflict, food insecurity, and economic vulnerability created complex displacement dynamics that existing governance frameworks were ill-equipped to address.

8.6 The Energy Transition Governance Challenge

The global energy transition accelerated during the analytical period, driven by a combination of declining renewable energy costs, strengthened climate policies, and the energy security concerns triggered by the conflict in Ukraine, but the pace of change remained insufficient to achieve Paris Agreement-aligned emission reduction trajectories. The International Energy Agency's World Energy Outlook 2023 documented that renewable energy capacity additions reached a record of approximately 340 gigawatts in 2022, with solar photovoltaic accounting for the majority of new capacity [11][12]. Investment in clean energy technologies exceeded USD 1.7 trillion in 2023, significantly outpacing investment in fossil fuel supply for the first time. However, the energy transition remained highly uneven across regions and sectors: while advanced economies and China accounted for the vast majority of clean energy investment, many developing countries, particularly in Africa and parts of Asia, continued to face severe energy access deficits and lacked the financial and institutional capacity to accelerate their energy transitions.

The governance of the energy transition raised complex questions about equity, burden-sharing, and the management of distributional impacts. The concept of a just transition, which seeks to ensure that the costs and benefits of the shift away from fossil fuels are fairly distributed, gained increasing policy traction, but its operationalisation remained challenging. Communities and workers dependent on fossil fuel industries faced significant economic disruption, and the governance frameworks for managing this disruption, including retraining programmes, social protection measures, and economic diversification strategies, were often inadequate or poorly implemented. Internationally, the question of how to support developing countries in accelerating their energy transitions while meeting growing energy demand and development needs remained a central challenge for climate and energy governance. The so-called Just Energy Transition Partnerships, bilateral initiatives between developed and developing countries to support the phase-out of fossil fuels, showed promise but faced implementation challenges related to the scale and speed of finance mobilisation and the alignment of partner interests.

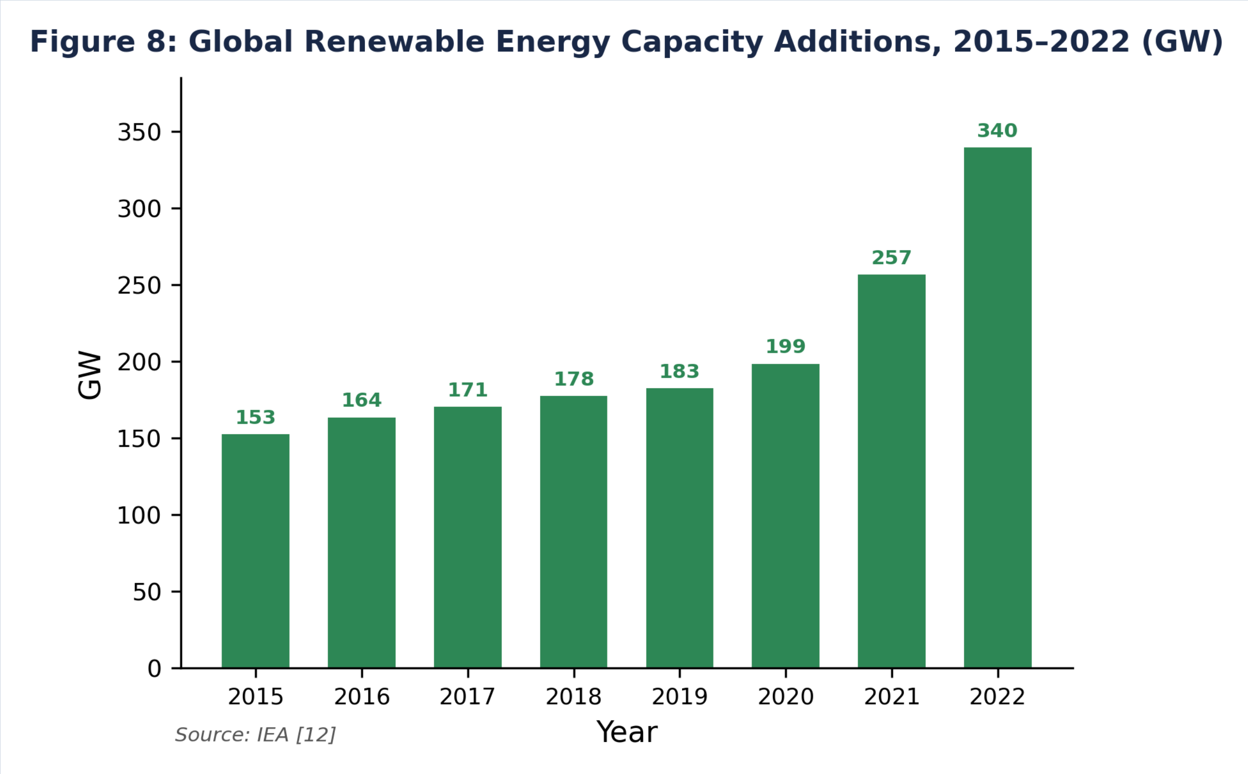

Figure 8: Global Renewable Energy Capacity Additions, 2015-2022 (GW)

Source: IEA Renewables 2023 [12].

8.7 Ocean Governance

Ocean governance gained increased prominence in the international agenda during the analytical period, driven by the growing recognition of the ocean's critical role in climate regulation, biodiversity conservation, and global food security. The conclusion of negotiations on the Agreement on Biodiversity Beyond National Jurisdiction, commonly known as the High Seas Treaty, in March 2023 under the United Nations Convention on the Law of the Sea represented a landmark achievement after nearly two decades of negotiations. The treaty established a framework for the conservation and sustainable use of marine biodiversity in areas beyond national jurisdiction, including provisions on marine protected areas, environmental impact assessments, capacity building, and the fair and equitable sharing of benefits from marine genetic resources. While the treaty's entry into force required ratification by a sufficient number of states, its adoption was widely welcomed as a critical step towards addressing the governance gaps that had long plagued the high seas.

Despite this achievement, ocean governance faced a compounding set of challenges. Ocean acidification, driven by the absorption of anthropogenic carbon dioxide, continued to intensify, threatening marine ecosystems, particularly coral reefs and shellfish populations. Sea surface temperatures reached record levels in 2023, contributing to the fourth global coral bleaching event and disrupting marine food webs. Ocean deoxygenation, the decline in dissolved oxygen concentrations in seawater, expanded in extent and severity, creating hypoxic dead zones that were inhospitable to most marine life. Overfishing remained a pervasive problem, with the Food and

Agriculture Organization estimating that approximately 35 per cent of assessed fish stocks were being fished beyond biologically sustainable levels. Marine pollution, particularly from plastic waste, continued to accumulate despite growing public awareness and some progress in developing international legally binding instruments to address plastic pollution.

The governance of the ocean-climate nexus remained an area of significant institutional and policy fragmentation. The ocean's role as a carbon sink, absorbing approximately 25 per cent of annual carbon dioxide emissions and more than 90 per cent of the excess heat trapped by greenhouse gases, was not adequately reflected in climate governance frameworks. Marine-based climate mitigation measures, including blue carbon ecosystem conservation and restoration, ocean-based renewable energy, and ocean alkalinity enhancement, attracted growing scientific and policy attention, but the governance of such measures raised complex questions about environmental risks, monitoring and verification, and the equitable distribution of benefits and burdens. The integration of ocean considerations into the UNFCCC process remained limited, and the institutional mechanisms for coordinating ocean and climate governance were weak relative to the scale of the interlinked challenges.

8.8 Deforestation, Land Use and the Governance of Nature

Deforestation and land-use change continued to be major drivers of both biodiversity loss and greenhouse gas emissions throughout the analytical period, accounting for approximately 10 per cent of global greenhouse gas emissions. Global deforestation rates remained alarmingly high, with the Food and Agriculture Organization's Global Forest Resources Assessment documenting ongoing forest loss, particularly in tropical regions. The Amazon basin experienced continued deforestation, with Brazil recording elevated rates of forest clearing during the early part of the analytical period before a policy shift in 2023 contributed to a reduction in deforestation rates. The Congo Basin, the world's second-largest tropical forest, faced growing pressure from agricultural expansion, logging, and mining, with governance capacity and enforcement mechanisms remaining inadequate to address the scale of the threats. In Southeast Asia, deforestation for palm oil and other commodity production continued, albeit at a moderated pace relative to earlier decades.

The governance of deforestation was characterised by a patchwork of international commitments, national policies, and private sector initiatives that collectively failed to deliver the scale of action required. The Glasgow Leaders' Declaration on Forests and Land Use, signed by over 140 countries at COP26 in 2021, committed to halting and reversing forest loss and land degradation by 2030, but the translation of this political commitment into concrete policies and measurable outcomes remained a work in progress. The European Union's deforestation regulation, which entered into force in 2023, established due diligence requirements for commodities associated with deforestation and forest degradation, a development that was widely regarded as a potential game-changer in the governance of commodity-driven deforestation. However, the regulation's implementation challenges, including the establishment of traceability systems, the definition of deforestation-free supply chains, and the potential impacts on smallholder producers in developing countries, were substantial and remained to be fully addressed.

Land-use governance more broadly was complicated by the competing demands placed upon land for food production, bioenergy, carbon sequestration, biodiversity conservation, and human settlement. The concept of land-use planning as a governance tool for balancing these competing demands gained traction, but its implementation was often hampered by institutional fragmentation, unclear land tenure arrangements, and the influence of powerful economic interests. The governance of nature more broadly, including freshwater ecosystems, wetlands, and drylands, faced similar challenges of institutional fragmentation, inadequate financing, and the failure to fully account for the economic value of ecosystem services in policy decision-making. The Kunming-Montreal Global Biodiversity Framework's targets on reducing land degradation and restoring degraded ecosystems provided an important policy signal, but their achievement would require a fundamental shift in how societies value and govern the natural world.

8.9 Fossil Fuel Subsidies and the Transition Challenge

Despite nearly four decades of commitments to rationalise and phase out inefficient fossil fuel subsidies, global fossil fuel subsidy levels reached record highs during the analytical period, driven by the energy price spikes triggered by the conflict in Ukraine and the subsequent policy responses of governments seeking to shield consumers from rising energy costs. The International Energy Agency estimated that fossil fuel consumption subsidies worldwide reached approximately USD 1 trillion in 2022, more than double the level recorded in 2021. This extraordinary increase reflected the use of price controls, consumption subsidies, and other fiscal measures to buffer the domestic impact of elevated international energy prices. While the short-term rationale for these measures was understandable in the context of a cost-of-living crisis, their persistence and scale represented a major contradiction in global climate governance and a significant obstacle to the energy transition.

The governance of fossil fuel subsidy reform remained a persistent challenge. The G20 and APEC had both committed to the phase-out of inefficient fossil fuel subsidies, but progress in implementing these commitments had been glacial. The definition of what constituted an inefficient subsidy remained contested, providing a convenient escape clause for governments reluctant to undertake politically sensitive reforms. The distributional implications of subsidy removal, which disproportionately affected low-income households and energy-intensive industries, required carefully designed compensatory measures and social protection programmes that many governments were ill-equipped or unwilling to implement. Moreover, the analytical period witnessed a significant expansion in production subsidies and other forms of government support for fossil fuel production, as several major producing countries sought to incentivise increased oil and gas output in response to the energy security concerns generated by the conflict in Ukraine.

The transition away from fossil fuels required not only the removal of subsidies but also the managed decline of existing fossil fuel infrastructure and the equitable distribution of the costs and benefits of this transition. The concept of a fossil fuel non-proliferation treaty, which would establish an international framework for phasing out fossil fuel production in line with Paris Agreement targets, gained political traction during the analytical period, with a growing number of governments endorsing the need for a negotiated transition framework. While the prospect of such a treaty remained distant given the entrenched interests involved, the growing recognition that supply-side climate policies, addressing the production of fossil fuels, were necessary complements to demand-side measures represented an important evolution in climate governance thinking. The governance challenge of managing a just and orderly transition away from fossil fuels, while ensuring energy security and equitable access to energy, would remain at the centre of the global climate governance agenda for the foreseeable future.

Chapter 9: Emerging Technology Governance

9.1 The AI Governance Imperative

The period from January 2020 through November 2023 witnessed a transformation in the capabilities and deployment of artificial intelligence that outpaced the capacity of existing governance frameworks to manage its risks and harness its benefits. The public release of increasingly capable large language models and generative AI systems in 2022 and 2023 catalysed an unprecedented global conversation about the need for AI governance. These systems demonstrated abilities in natural language processing, image generation, code production, and scientific reasoning that far exceeded the expectations of most observers and raised fundamental questions about the trajectory of AI development and its implications for human welfare, democratic governance, economic inequality, and international security. The pace of capability advance, with new model releases occurring on a timescale of months rather than years, placed enormous pressure on policymakers, regulators, and international organisations to develop governance responses that were both timely and effective.

The AI governance imperative was underscored by a growing body of evidence regarding the potential harms associated with AI systems. These included the generation of misinformation and disinformation at scale, the automation of bias and discrimination in high-stakes decision-making domains such as criminal justice, employment, and financial services, the erosion of privacy through mass surveillance and data exploitation, and the potential for AI-enabled cyberattacks of unprecedented sophistication. The concentration of AI development capabilities in a small number of large technology companies, predominantly based in the United States and China, raised concerns about the distribution of power and the adequacy of market-based and national regulatory approaches to govern technologies with potentially global consequences. The recognition that advanced AI systems could pose existential risks, while remaining a subject of debate among experts, entered mainstream policy discourse during 2023, with prominent AI researchers and industry leaders publicly calling for greater attention to safety and governance.

The international governance landscape for AI remained fragmented throughout the analytical period, with multiple institutions, initiatives, and frameworks operating in parallel without clear coordination or hierarchy. The United Nations Secretary-General established a High-Level Advisory Body on Artificial Intelligence, UNESCO adopted its Recommendation on the Ethics of Artificial Intelligence in November 2021, the OECD developed its AI Principles and continued to refine its approach to AI policy, and the G7 launched the Hiroshima AI Process in May 2023. These multilateral initiatives coexisted with an increasingly dense and divergent array of national regulatory approaches, creating a governance landscape characterised by complexity, inconsistency, and significant gaps. The absence of a dedicated international organisation or treaty framework for AI governance meant that the international community lacked the institutional infrastructure to develop common standards, share best practices, and address the cross-border dimensions of AI risk.

9.2 The Bletchley Declaration and International AI Safety Cooperation

The AI Safety Summit held at Bletchley Park in the United Kingdom on 1 and 2 November 2023 marked a significant milestone in international cooperation on AI governance. The summit brought together representatives from 28 countries plus the European Union, as well as leading AI companies, civil society organisations, and academic researchers, to discuss the safety risks associated with frontier AI systems [38]. The resulting Bletchley Declaration on AI Safety, signed by the 28 participating countries and the European Union, represented the first international political commitment specifically focused on the safety of advanced AI systems. The declaration acknowledged the potential for serious, even catastrophic, harm arising from the most capable AI systems and committed signatories to establish an international AI safety research agenda, promote cooperation on AI safety testing and evaluation, and develop shared frameworks for the governance of frontier AI development.

The Bletchley Declaration's significance lay not only in its substantive content but in the fact that it secured the participation of major AI powers, including the United States and China, in a joint statement on AI safety. This diplomatic achievement, facilitated by the United Kingdom's convening role, suggested that despite deep geopolitical tensions, there was a recognition on all sides that the most extreme risks posed by advanced AI systems required international cooperation that transcended traditional great power rivalry. The declaration's focus on frontier AI models, defined as highly capable general-purpose AI systems that could perform a wide variety of tasks and match or exceed the capabilities present in today's most advanced models, represented an attempt to establish a shared analytical framework for categorising and assessing the risks associated with AI systems of varying capability levels. The practical impact of the declaration, however, would depend on the willingness and capacity of signatories to translate its political commitments into concrete institutional arrangements, research programmes, and regulatory actions.

The summit also catalysed the establishment of new institutional initiatives, including the announcement by the United Kingdom of a new AI Safety Institute and the commitment by several countries to establish similar national bodies focused on AI safety research and evaluation. The question of whether these national initiatives could be effectively coordinated through international frameworks remained open, as did the question of how to ensure that safety research kept pace with the rapid advance of AI capabilities. The AI Safety Summit was intended to be the first in a series of international gatherings on the topic, with South Korea and France scheduled to host subsequent summits in 2024, reflecting a recognition that international AI safety cooperation would require sustained diplomatic engagement rather than a single event. The challenge of building an effective international governance architecture for AI safety was formidable, given the technical complexity of the issues, the commercial incentives driving rapid AI deployment, and the geopolitical dynamics that complicated multilateral cooperation.

9.3 The EU AI Act and National Regulatory Approaches

The European Union's Artificial Intelligence Act represented the most comprehensive and prescriptive national or regional AI regulatory framework under development during the analytical period. The European Parliament adopted its negotiating position on the AI Act on 14 June 2023, establishing the Parliament's stance on a regulation that had been proposed by the European Commission in April 2021 [39]. The Parliament's position introduced several significant provisions, including an expansion of the list of high-risk AI applications subject to mandatory requirements, restrictions on the use of AI for certain purposes including biometric surveillance in public spaces, and obligations regarding the disclosure of training data protected by copyright. The political agreement between the European Parliament, the Council of the European Union, and the European Commission was reached on 8 December 2023, though the final vote by the European Parliament would occur in 2024. The AI Act's risk-based classification framework, which imposed the most stringent requirements on AI systems categorised as high-risk, established a regulatory template that was closely watched by policymakers around the world.

Outside the European Union, national approaches to AI governance diverged significantly, reflecting differences in political systems, economic structures, cultural values, and strategic priorities. The United States, while historically favouring a sector-specific and largely self-regulatory approach to AI, adopted a more assertive regulatory posture during 2023. President Biden's Executive Order on Safe, Secure, and Trustworthy Artificial Intelligence, issued on 30 October 2023, represented the most significant US government action on AI governance to date [40]. The Executive Order established requirements for the safety testing and reporting of the most powerful AI systems, directed federal agencies to address AI-related risks in their areas of jurisdiction, and initiated processes for developing standards and guidelines for AI safety and security. While the Executive Order's legal authority was constrained by its nature as an executive rather than legislative instrument, its breadth and ambition signalled a fundamental shift in the US approach to AI governance.

China continued to develop its AI regulatory framework through a series of targeted regulations addressing specific applications, including algorithmic recommendation systems, deep synthesis technologies, and generative AI services. These regulations, issued by administrative bodies including the Cyberspace Administration of China and the Ministry of Science and Technology, reflected a governance philosophy that prioritised state control, content moderation, and social stability alongside the promotion of technological innovation. Other jurisdictions, including Brazil, Canada, India, Japan, and Singapore, were at various stages of developing AI governance frameworks, ranging from voluntary guidelines and ethics principles to binding legislation. The resulting patchwork of national and regional approaches created significant compliance challenges for multinational technology companies and raised questions about regulatory arbitrage, forum shopping, and the potential for a race to the bottom in AI safety standards. The absence of international harmonisation of AI regulatory requirements was an increasingly urgent governance gap that existing multilateral institutions had not yet adequately addressed.

9.4 Digital Governance and Connectivity

Global internet connectivity continued to expand during the analytical period, with the International Telecommunication Union reporting approximately 5.4 billion internet users, representing 67 per cent of the world's population, in 2023 [20]. This expansion was driven primarily by mobile broadband connectivity in developing countries, though significant connectivity gaps persisted, particularly in least developed countries, landlocked developing countries, and small island developing states, where internet penetration rates remained well below the global average. The digital divide continued to mirror and reinforce existing patterns of economic and social inequality, with rural populations, women, older persons, and people with disabilities facing disproportionate barriers to internet access and digital literacy. The COVID-19 pandemic had underscored the critical importance of digital connectivity for access to education, healthcare, financial services, and economic opportunity, but it had also highlighted the devastating consequences of digital exclusion for those left behind by the connectivity revolution.

The governance of the global internet continued to be contested along multiple fault lines. The tension between the multi-stakeholder model of internet governance, which emphasises the participation of civil society, the private sector, and technical community alongside governments, and more state-centric approaches, which prioritise national sovereignty and governmental control over digital infrastructure and online content, remained a defining feature of the digital governance landscape. The Internet Governance Forum, established under the auspices of the United Nations, continued to serve as a platform for multi-stakeholder dialogue, but its advisory nature and lack of decision-making authority limited its effectiveness in addressing the most contentious governance challenges. Freedom House's Freedom on the Net 2023 report documented a continuing global decline in internet freedom, with governments in an increasing number of countries restricting online speech, censoring content, and deploying surveillance technologies to monitor and suppress dissent [21]. The weaponisation of digital tools for political repression and social control represented a grave governance failure with implications for human rights, democratic governance, and international peace and security.

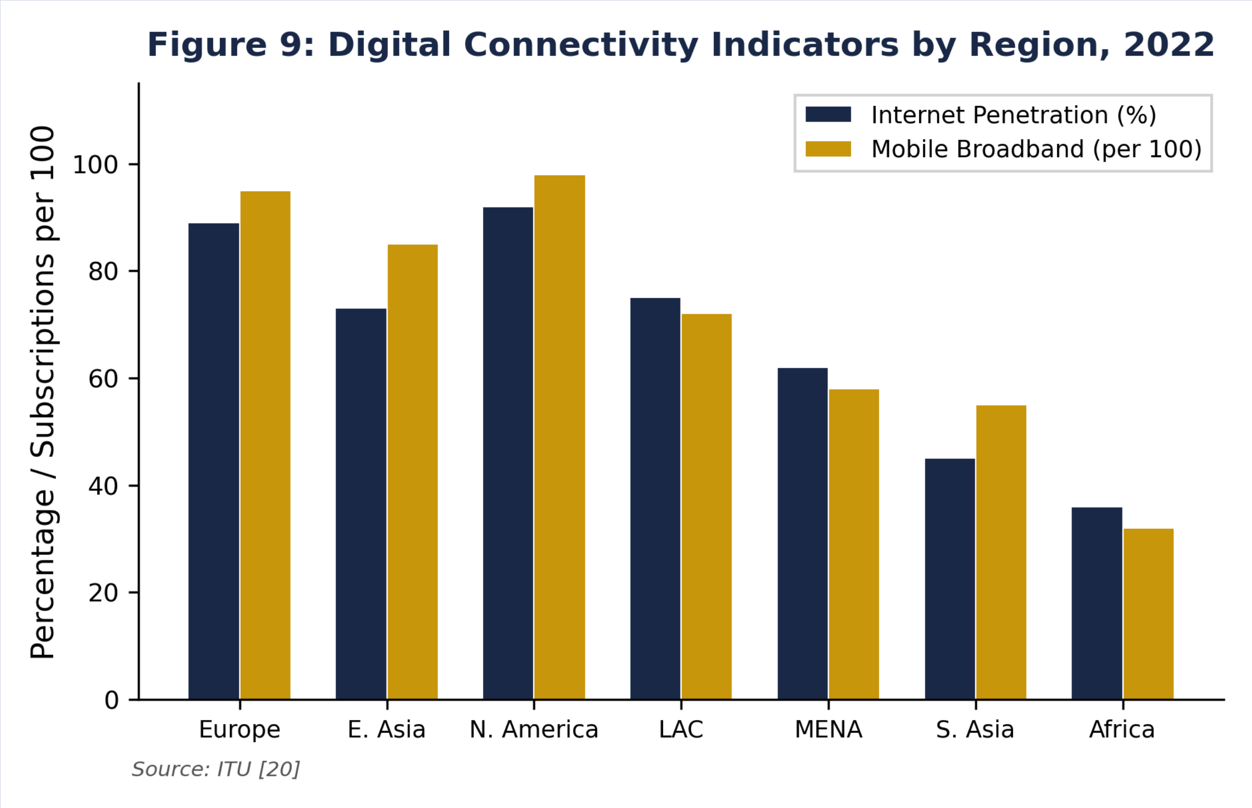

Figure 9: Digital Connectivity Indicators by Region, 2022

Source: ITU Facts and Figures 2023 [20].

9.5 Cybersecurity Governance Frameworks

The cybersecurity threat landscape evolved with alarming speed and sophistication throughout the analytical period, driven by the growing integration of digital technologies into critical infrastructure, economic activity, and social life. Ransomware attacks continued to escalate in frequency, scale, and impact, targeting hospitals, energy infrastructure, water systems, financial institutions, and government agencies across the world. State-sponsored cyber operations, including espionage, disruption, and information manipulation campaigns, posed growing risks to international peace and security. The proliferation of offensive cyber capabilities, combined with the persistent attribution challenges that complicated deterrence and accountability, created a security environment of increasing volatility and uncertainty. The conflict in Ukraine brought cybersecurity to the forefront of international security concerns, with significant cyber operations documented on both sides and spillover effects affecting countries and organisations far beyond the immediate conflict zone.

International cybersecurity governance remained fragmented and largely non-binding, with multiple initiatives operating in parallel but failing to establish a comprehensive and enforceable framework for responsible state behaviour in cyberspace. The United Nations Group of Governmental Experts on Advancing Responsible State Behaviour in the Context of International Security and its successor, the Open-Ended Working Group, continued their deliberations on the application of international law to cyberspace and the development of norms of responsible state behaviour. While these processes produced useful consensus documents, their non-binding nature and the reluctance of some states to accept constraints on their cyber operations limited their practical impact. The adoption of the UN cybercrime convention, under negotiation at the General Assembly, remained a contentious process, with civil society organisations and some governments expressing concern that the draft text could legitimise expanded state surveillance powers and facilitate cross-border repression.

The governance of cybersecurity was further complicated by the rapid evolution of the threat landscape, with artificial intelligence, quantum computing, and the proliferation of Internet of Things devices introducing new categories of vulnerability and attack vector. The shortage of cybersecurity professionals, estimated by various industry assessments to number in the millions globally, represented a chronic capacity constraint that affected both the public and private sectors. The development of public-private partnerships for cybersecurity, including information sharing arrangements, joint threat intelligence platforms, and coordinated incident response mechanisms, advanced in many countries but faced persistent challenges related to trust, legal liability, and the appropriate balance between security and privacy. The establishment of the International Counter Ransomware Initiative, which brought together over 50 countries to coordinate action against ransomware, represented a promising development, but the transnational and increasingly professionalised nature of the ransomware ecosystem required sustained international cooperation of a kind that remained difficult to achieve.

9.6 Digital Infrastructure and the Digital Divide

The provision of digital infrastructure emerged as a critical governance challenge during the analytical period, as the COVID-19 pandemic and the accelerating digitalisation of economic and social life exposed and amplified existing infrastructure deficits, particularly in developing countries. The global digital divide was not merely a matter of physical connectivity but encompassed a complex set of interrelated deficits in infrastructure, affordability, skills, and meaningful use. While mobile broadband had driven significant progress in connectivity, fixed broadband infrastructure, essential for many high-bandwidth applications including distance education, telemedicine, and digital government services, remained concentrated in urban areas of developed and large emerging economies. The cost of internet access relative to income remained prohibitively high in many developing countries, with the ITU's affordability target of broadband access costing less than 2 per cent of gross national income per capita unmet in a significant number of least developed countries.

International efforts to address digital infrastructure gaps accelerated during the analytical period, though they remained fragmented and significantly under-resourced relative to the scale of need. The G7's Partnership for Global Infrastructure and Investment included digital connectivity as a priority area, while China's Belt and Road Initiative continued to finance and construct digital infrastructure projects across Africa, Asia, and Latin America. The growing geopolitical dimension of digital infrastructure provision, with competing connectivity initiatives backed by different major powers, introduced new dynamics into what had previously been primarily a development and technical cooperation issue. Concerns about digital sovereignty, data security, and debt sustainability complicated the governance of international digital infrastructure investment. The risk of a bifurcated global digital infrastructure, with countries adopting incompatible technical standards and governance models aligned with different geopolitical blocs, represented a potentially damaging form of digital fragmentation with implications for global interoperability, innovation, and the free flow of information.

The governance of submarine cable infrastructure, the physical backbone of global internet connectivity, attracted increasing policy attention during 2023. The concentration of submarine cable manufacturing and installation capacity in a small number of companies, the strategic significance of cable landing points, and the vulnerability of undersea cables to both accidental damage and deliberate sabotage raised questions about the resilience and security of global digital connectivity. Several governments initiated reviews of their submarine cable governance arrangements, including measures to enhance the physical security of cable infrastructure, diversify cable routes, and strengthen the regulatory framework for cable landing and operation. The governance of satellite-based internet services, including the rapidly expanding constellation systems deployed by private companies, also presented novel regulatory challenges related to spectrum management, space debris, and the equitable distribution of orbital resources. These infrastructure governance challenges underscored the need for a more strategic and coordinated international approach to the physical foundations of the global digital economy.

9.7 AI and the Future of Work

The deployment of artificial intelligence in the workplace accelerated rapidly during the analytical period, raising profound questions about the future of employment, the distribution of economic gains, and the adequacy of existing labour market institutions and social protection systems. Generative AI systems demonstrated capabilities in performing tasks previously thought to require human cognition, including writing, programming, data analysis, and customer interaction, leading to widespread public concern about the potential for large-scale job displacement. Economic analyses produced a range of estimates regarding the impact of AI on employment, with some studies suggesting that a significant fraction of current jobs could be partially or fully automated by AI technologies, while others emphasised the complementary relationship between AI and human labour and the potential for AI to augment rather than replace human workers. The uncertainty surrounding these estimates reflected the early stage of AI deployment in many sectors and the difficulty of predicting the long-term trajectory of technological change.

The distributional implications of AI-driven productivity gains represented a critical governance challenge. Historically, technological revolutions had generated enormous aggregate wealth but had also produced significant disruptions, with the benefits of productivity growth often captured disproportionately by capital owners and high-skilled workers while displacing or devaluing the labour of others. The risk that AI could exacerbate existing patterns of inequality, both within and between countries, was a central concern for policymakers and social partners. The impact of AI on developing economies, which had traditionally relied on labour cost advantages to integrate into global production networks, was a particular source of concern, as AI-enabled automation potentially undermined the comparative advantage of low-wage labour and threatened to disrupt established patterns of economic development. The governance of this transition required not only labour market policies, including retraining, reskilling, and social protection, but also broader economic policy frameworks that ensured the benefits of AI-driven productivity growth were widely shared.

The regulatory frameworks governing the use of AI in the workplace remained underdeveloped in most jurisdictions during the analytical period. While existing labour laws and employment regulations provided some protections, they were generally not designed to address the specific challenges posed by algorithmic management, automated decision-making, and AI-driven workplace surveillance. The use of AI systems for hiring, performance monitoring, and termination decisions raised serious concerns about transparency, accountability, and the potential for algorithmic discrimination. Several jurisdictions began to develop specific regulations or guidelines addressing the use of AI in employment, but the overall governance framework remained fragmented and inadequate to the scale and speed of change. The role of social dialogue, including the engagement of trade unions and employer organisations in shaping the governance of AI in the workplace, was increasingly recognised as essential but remained uneven across countries and sectors. The question of how to ensure a just transition in the context of AI-driven labour market transformation would remain at the centre of domestic and international policy agendas for years to come.

9.8 Governing Emerging Technology Platforms

The governance of digital platforms, the dominant intermediaries of the digital economy, remained one of the most consequential and contested domains of technology governance during the analytical period. A small number of technology companies exercised unprecedented influence over the flow of information, the operation of digital markets, and the structure of economic activity across the globe. The platforms' business models, which relied on the extraction, analysis, and monetisation of vast quantities of personal data, raised fundamental questions about privacy, market power, content moderation, and democratic accountability. Regulatory responses to platform power accelerated during 2023, with the European Union's Digital Services Act and Digital Markets Act beginning to take effect, establishing comprehensive regulatory frameworks for online platforms and digital markets. These regulations represented the most ambitious attempt by any jurisdiction to impose binding obligations on digital platforms regarding content moderation, algorithmic transparency, data access, and competitive conduct.

The governance challenges posed by digital platforms were inherently cross-border, yet regulatory responses remained overwhelmingly national and regional in scope. The European Union's regulatory initiatives, while potentially influential as regulatory standards given the size of the European market, faced limitations in addressing platform governance issues that transcended jurisdictional boundaries, such as the cross-border flow of disinformation, the operation of global advertising markets, and the governance of platform infrastructure that served users in multiple jurisdictions simultaneously. The United States, home to the world's largest digital platforms, lagged behind the European Union in establishing comprehensive platform regulation, though legislative proposals addressing competition, privacy, and content moderation advanced through the congressional process. China's platform governance framework, characterised by extensive government control over platform content and operations, represented a fundamentally different model that prioritised state authority over market-based or multi-stakeholder approaches. The coexistence of these divergent regulatory models created a fragmented global platform governance landscape with significant implications for innovation, competition, and the free flow of information.

The emergence of new technology platforms, including those built on large language models and generative AI, introduced novel governance challenges that existing regulatory frameworks were not designed to address. AI-powered platforms that could generate text, images, audio, and video raised questions about intellectual property rights, the authenticity of digital content, and the potential for mass-produced misinformation at a scale that could overwhelm existing content moderation systems. The governance of these platforms required new approaches to transparency, accountability, and redress that went beyond the frameworks developed for earlier generations of digital platforms. The question of platform liability for AI-generated content, the governance of training data, and the establishment of standards for the responsible deployment of generative AI in consumer-facing applications were all areas where governance frameworks were in the early stages of development. The rapid pace of platform innovation, combined with the regulatory lag that was a persistent feature of technology governance, ensured that the governance of emerging technology platforms would remain a dynamic and challenging domain for the foreseeable future.

Chapter 10: Global Health Governance

10.1 The Post-Pandemic Health Governance Landscape

The period from January 2020 through November 2023 represents the most consequential chapter in global health governance since the founding of the World Health Organization in 1948. The COVID-19 pandemic exposed structural fragilities across every dimension of international health cooperation, from early warning systems and surge capacity to vaccine distribution and equitable access to medical countermeasures. As the world transitioned from acute crisis response to a post-emergency phase, the governance architecture that had been severely tested by the pandemic faced the dual imperative of institutional reform and renewed commitment to the Sustainable Development Goal health targets. Global health expenditure, which had risen sharply during the pandemic, stood at approximately 10.8 percent of global GDP according to the latest available data, reflecting both the massive fiscal mobilization required during the crisis and the persistent underinvestment in preventive health systems in many low- and middle-income countries [27]. The declaration by WHO ending the Public Health Emergency of International Concern on 5 May 2023 marked a formal turning point, yet the governance lessons of the preceding three years remained only partially absorbed into the institutional fabric of the multilateral system.

The pandemic disrupted decades of incremental progress on core health indicators, reversing gains in immunization coverage, maternal and child health services, and the management of endemic diseases such as tuberculosis, malaria, and HIV/AIDS. Routine childhood immunization coverage declined in multiple regions during 2020 and 2021, with the WHO and UNICEF estimating that approximately 25 million children missed out on one or more routine vaccinations in 2021 alone. Maternal mortality, which had been declining steadily before the pandemic, experienced setbacks in several low-income settings as health systems were overwhelmed by COVID-19 surges and essential services were disrupted [28]. The pandemic also accelerated the recognition that health security and health system resilience are not separate policy domains but rather deeply interconnected dimensions of a single governance challenge. Countries that had invested in primary health care infrastructure, community health worker networks, and digital health systems demonstrated markedly greater capacity to adapt and respond, underscoring the argument that universal health coverage is not merely a development objective but a foundational element of global health security.

The geopolitical dimensions of the pandemic further complicated the governance landscape. Vaccine nationalism, export restrictions on medical supplies, and competition over access to diagnostics and therapeutics revealed the limitations of voluntary cooperation during acute crises. The emergence of bilateral vaccine deals alongside the multilateral COVAX mechanism created a fragmented distribution architecture that prioritized national interests over global equity. At the same time, the pandemic catalyzed new partnerships and initiatives, from the mRNA technology transfer hubs established by WHO in several developing countries to the revised commitments made at the G7 and G20 summits on pandemic preparedness financing. The challenge facing the post-pandemic governance architecture is to institutionalize the innovations that emerged during the crisis while correcting the structural inequities that the pandemic laid bare.

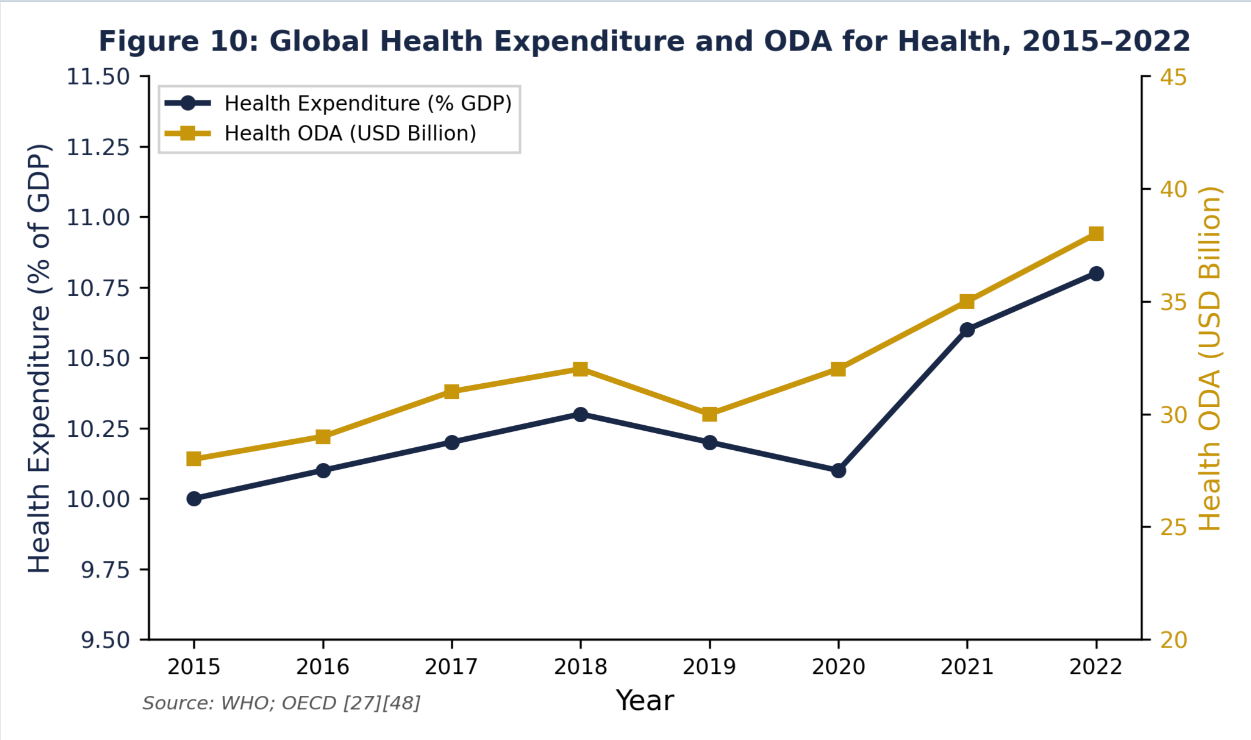

Figure 10: Global Health Expenditure and ODA for Health, 2015-2022

Source: WHO; OECD [27][48].

10.2 WHO Reform and the Pandemic Accord

The World Health Organization entered the post-pandemic period under unprecedented pressure to demonstrate both institutional relevance and reform capacity. The seventy-sixth World Health Assembly, convened in May 2023, approved the WHO Programme Budget 2024-2025 at a level of $6.83 billion, representing a meaningful increase over the previous budget cycle and reflecting a growing recognition among member states that the Organization requires greater assessed contribution funding to fulfill its mandate independently of voluntary donor preferences [8]. The approval of this budget through Resolution WHA76.1 on 22 May 2023 signaled a partial restoration of confidence in the Organization's financial governance, though the proportion of the budget financed through assessed contributions remained below the level recommended by multiple independent review panels.

The most significant institutional development during the review period was the negotiation of a new international instrument on pandemic prevention, preparedness, and response, commonly referred to as the Pandemic Accord. The Intergovernmental Negotiating Body established by WHA75 in 2022 conducted multiple rounds of negotiations throughout 2023, working toward a target adoption date at the seventy-seventh World Health Assembly in May 2024. The draft text under negotiation addressed several critical governance gaps exposed by the COVID-19 pandemic, including pathogen surveillance and data sharing, access to medical countermeasures, technology transfer mechanisms, and the obligations of states to build resilient health systems. The negotiations, however, encountered significant political obstacles, particularly around questions of intellectual property, benefit sharing, and the legal nature of commitments under the proposed instrument. Divergent positions between high-income countries advocating for strong surveillance obligations and low- and middle-income countries demanding binding equity provisions in access to countermeasures created substantial friction in the negotiating process.

Simultaneously, proposed amendments to the International Health Regulations of 2005 advanced through the Working Group on Amendments to the IHR, with member states considering revisions that would strengthen the regulatory framework for cross-border health threats. As of December 2023, the proposed amendments remained under active consideration and had not yet been formally adopted. Key provisions under discussion included enhanced requirements for national core capacities, improved mechanisms for the declaration of public health emergencies of international concern, and provisions for equitable access to health products during emergencies. The review of the IHR represented an important complementary track to the Pandemic Accord negotiations, as the two processes together aimed to create a more comprehensive and legally robust framework for global health security.

10.3 Health Systems and the SDG Health Targets

The Sustainable Development Goals established a comprehensive framework for health governance that extends far beyond infectious disease response to encompass universal health coverage, non-communicable disease prevention, mental health, and the social determinants of health. The WHO World Health Statistics 2023 report documented mixed progress across SDG health targets during the analytical period, with the pandemic disrupting service delivery in multiple areas while simultaneously generating new political attention and fiscal commitments to health system strengthening [27]. The concept of universal health coverage, enshrined in SDG Target 3.8, faced significant headwinds as the economic contraction caused by the pandemic reduced fiscal space for health spending in many developing countries, even as the pandemic itself demonstrated the catastrophic costs of underinvestment in health systems.

Maternal and child health indicators, which had shown steady improvement in the pre-pandemic decade, experienced measurable setbacks in multiple regions. The disruption of antenatal care services, facility-based deliveries, and childhood immunization programs created a secondary health crisis that disproportionately affected the most vulnerable populations in low-income settings [28]. The WHO estimated that the pandemic disrupted essential health services in over 90 percent of countries during 2020 and 2021, with the most severe disruptions occurring in routine immunization, diagnosis and treatment of non-communicable diseases, and mental health services. The recovery of these services to pre-pandemic levels proved uneven, with some countries achieving rapid restoration while others continued to experience service delivery gaps as of late 2023.

The pandemic reinforced the importance of primary health care as the foundation of resilient health systems. Countries with strong primary health care infrastructure demonstrated greater capacity to maintain essential service delivery during pandemic surges and to implement effective community-level responses, including contact tracing, risk communication, and vaccination campaigns. The WHO's primary health care framework, which emphasizes people-centered care, integrated service delivery, and community engagement, gained renewed policy traction as a governance model capable of addressing both everyday health needs and acute health security challenges. However, the translation of this framework into operational investments at the country level remained constrained by fiscal limitations, workforce shortages, and competing policy priorities in the post-pandemic recovery period.

10.4 The Vaccine Equity Challenge

The global vaccine deployment during the COVID-19 pandemic constituted the largest and most rapid immunization campaign in human history, yet its governance was marked by profound and persistent inequities that undermined both the moral authority and the operational effectiveness of the multilateral health architecture. The COVAX facility, established in April 2020 as the principal multilateral mechanism for equitable vaccine distribution, ultimately delivered approximately 1.8 billion doses to 146 countries and territories by the time the ACT-Accelerator formally concluded its operations in September 2023 [55]. While this represented a significant logistical achievement, COVAX deliveries consistently lagged behind initial targets and were outpaced by bilateral procurement agreements that directed the vast majority of early vaccine supplies to high-income countries. The ACT-Accelerator Final Report, published in September 2023, acknowledged these shortcomings and identified critical lessons for future pandemic preparedness governance, including the need for binding commitments on technology transfer, diversified manufacturing capacity in developing countries, and pre-negotiated allocation frameworks that cannot be unilaterally overridden during emergencies [55].

The vaccine equity gap had measurable consequences for global health outcomes and for the trajectory of the pandemic itself. The emergence of new variants of concern, including the Delta and Omicron variants, was epidemiologically linked to prolonged uncontrolled transmission in regions with low vaccination coverage, demonstrating that inequitable access to vaccines was not merely a moral failure but a strategic failure that extended the duration and severity of the pandemic for all countries. The Independent Panel for Pandemic Preparedness and Response, in its report to the World Health

Assembly, identified the vaccine inequity gap as a systemic governance failure requiring structural remedies rather than voluntary commitments [47]. The Panel recommended the establishment of a pandemic preparedness treaty with binding provisions on technology transfer, intellectual property sharing, and equitable allocation of medical countermeasures, recommendations that directly informed the subsequent Pandemic Accord negotiations.

The experience of COVAX also exposed fundamental tensions in the governance of global public goods. The facility relied on voluntary contributions and in-kind donations from high-income countries, creating a dependency dynamic that proved unreliable during periods of acute demand. The shift from a donation model to a mechanism based on advance market commitments and regional manufacturing capacity emerged as a central lesson of the pandemic governance experience. Several middle-income countries, including India, South Africa, Brazil, and South Korea, significantly expanded their vaccine manufacturing capabilities during the pandemic, providing a foundation for a more diversified and resilient global supply architecture. The governance challenge for the post-pandemic period is to institutionalize these manufacturing capabilities within a multilateral framework that ensures equitable access as a matter of right rather than charity.

10.5 Pandemic Preparedness and the Health Security Architecture

The COVID-19 pandemic catalyzed an unprecedented level of institutional activity in the domain of pandemic preparedness, with multiple multilateral processes converging toward a reformed global health security architecture. The WHO's hubs for pandemic and epidemic intelligence, established in Berlin in 2021, represented an innovative approach to strengthening global surveillance capabilities by combining traditional epidemiological monitoring with artificial intelligence, genomic sequencing, and open-source intelligence. The expansion of genomic surveillance capacity during the pandemic, which enabled the rapid identification of new SARS-CoV-2 variants, demonstrated the potential of integrated data systems to support early warning and rapid response functions. However, the governance of these systems raised important questions about data sovereignty, benefit sharing, and the appropriate balance between national reporting obligations and international transparency requirements.

The Financial Intermediary Fund for Pandemic Prevention, Preparedness, and Response, established at the G20 in 2022 and housed at the World Bank with WHO as the technical lead, represented a new institutional mechanism for channeling long-term financing toward pandemic preparedness in low- and middle-income countries. The Fund aimed to address the persistent gap between the political rhetoric of preparedness commitments and the actual flow of resources to strengthen health security capabilities at the country level. As of late 2023, the Fund had received pledges from multiple donor governments but faced challenges in establishing disbursement mechanisms that could deliver resources efficiently while maintaining accountability standards acceptable to both contributors and recipients.

The broader health security architecture also encompassed the WHO's International Health Regulations, the Global Health Security Agenda, and various bilateral and regional preparedness initiatives. The challenge of integrating these disparate mechanisms into a coherent governance framework remained substantial. The proliferation of overlapping institutions, reporting requirements, and assessment tools created implementation burdens for countries with limited institutional capacity, while the absence of enforceable compliance mechanisms meant that even where governance standards were well-defined, adherence remained inconsistent. The post-pandemic reform agenda sought to address these challenges through the complementary tracks of the Pandemic Accord and the IHR amendments, but the success of these efforts depended on the willingness of member states to accept binding obligations that would constrain their sovereign discretion during future health emergencies.

10.6 Non-Communicable Diseases and Health System Strengthening

Non-communicable diseases remained the leading cause of death and disability globally throughout the analytical period, accounting for approximately 74 percent of all deaths worldwide according to WHO data. The COVID-19 pandemic intersected with the NCD epidemic in ways that underscored the governance imperative of integrated health system approaches. Individuals with underlying non-communicable conditions, including cardiovascular disease, diabetes, chronic respiratory disease, and cancer, experienced significantly higher rates of severe illness and death from COVID-19, creating a syndemic dynamic that demanded a governance response capable of addressing both infectious and chronic disease challenges simultaneously. The disruption of NCD screening, diagnosis, and treatment services during the pandemic created a growing backlog of undiagnosed and untreated conditions that threatened to generate a secondary wave of mortality in the coming years.

The WHO's Global Action Plan for the Prevention and Control of Non-Communicable Diseases 2013-2030, which set targets for reducing premature mortality from NCDs by 25 percent relative to 2010 levels, faced significant challenges during the analytical period. While some countries made progress on tobacco control, salt reduction, and the management of cardiovascular disease risk factors, the overall trajectory toward the 2030 targets was insufficient in most regions. The governance of NCDs required multisectoral action extending well beyond the health sector to encompass trade policy, agricultural policy, urban planning, and environmental regulation. This multisectoral dimension made NCD governance inherently more complex than traditional disease-specific approaches, as it required coordination across government ministries and engagement with the private sector in areas such as food production, alcohol marketing, and tobacco control.

The pandemic also highlighted the economic dimensions of NCD governance, as the productivity losses and health care costs associated with non-communicable diseases placed significant fiscal strains on health systems already weakened by the COVID-19 response. The World Economic Forum's analysis of global non-communicable disease burdens estimated that the economic impact of NCDs would continue to grow, particularly in low- and middle-income countries undergoing epidemiological transitions. The governance response required a shift from disease-specific vertical programs to integrated, people-centered health service delivery models capable of managing both acute and chronic conditions within a unified primary health care framework. This shift demanded not only increased financial resources but also fundamental reforms in health workforce training, health information systems, and the governance structures that determine priority setting and resource allocation.

10.7 The Global Fund and Gavi: Partnership Models in Health Governance

The Global Fund to Fight AIDS, Tuberculosis and Malaria and Gavi, the Vaccine Alliance, represented two of the most significant multilateral partnership models in global health governance, and both underwent critical transitions during the analytical period. The Global Fund's Seventh Replenishment, held in September 2022, raised $15.7 billion in pledges from public and private donors, a record level that reflected the organization's demonstrated capacity to deliver results across its three disease areas [46]. The replenishment outcome, however, fell short of the $18 billion target set by the Global Fund, highlighting the persistent challenge of translating political commitments into adequate financial resources for multilateral health mechanisms. The organization continued to adapt its model to incorporate health system strengthening, pandemic preparedness, and the integration of COVID-19 response activities alongside its core mandate, reflecting an evolution toward a more comprehensive approach to global health governance.

Gavi, the Vaccine Alliance, played a central role in the COVAX facility during the pandemic while simultaneously managing its core immunization programs for low-income countries. The Alliance's cofinancing model, which requires recipient countries to gradually increase their domestic financial contributions to immunization programs as their national incomes rise, represented an important governance innovation in the transition from aid dependency to sustainable domestic health financing [45]. The pandemic disrupted routine immunization programs across Gavi-supported countries, and the Alliance faced the dual challenge of supporting COVID-19 vaccine deployment while restoring coverage rates for childhood vaccinations against diseases such as measles, polio, and diphtheria. Gavi's strategic period 2021-2025 emphasized the importance of health system strengthening and preparedness as cross-cutting priorities, acknowledging that immunization programs cannot function effectively in isolation from the broader health system.

Both organizations faced governance challenges related to their partnership models, including questions about donor influence over strategic priorities, the balance between disease-specific and system-wide investments, and the adequacy of accountability mechanisms for tracking results. The experience of COVAX, which was co-led by Gavi alongside WHO and CEPI, illustrated both the strengths and limitations of partnership-based governance in crisis situations. The facility mobilized unprecedented financial resources and logistical capacity but was hampered by supply constraints, allocation disputes, and the absence of enforceable commitments from donor governments. The lessons of COVAX informed the subsequent reform discussions about pandemic preparedness financing, technology transfer, and the governance of global public goods in health.

10.8 Antimicrobial Resistance

Antimicrobial resistance constituted one of the most serious and growing threats to global health security during the analytical period, with WHO estimates indicating that bacterial AMR was directly responsible for approximately 1.27 million deaths globally in 2019 and was associated with nearly 4.95 million deaths. These figures positioned AMR among the leading causes of death worldwide, exceeding the mortality burden of HIV/AIDS and malaria individually. The governance of antimicrobial resistance required action across multiple sectors, including human health, animal health, agriculture, and the environment, making it a quintessential example of the One Health governance approach that recognizes the interconnection between human, animal, and ecosystem health. Despite the severity of the threat, the global governance response to AMR remained fragmented and insufficient relative to the scale of the challenge.

The Global Action Plan on Antimicrobial Resistance, adopted by the World Health Assembly in 2015, established a framework for national action plans, surveillance systems, and awareness campaigns, but implementation remained uneven across countries and regions. The Tripartite Collaboration between WHO, the Food and Agriculture Organization, and the World Organisation for Animal Health (now the Quadripartite, with the addition of the UN Environment Programme) worked to promote a coordinated One Health approach to AMR governance. However, the absence of binding international obligations and the lack of adequate financing for AMR containment in low- and middle-income countries limited the effectiveness of the global governance framework. The agricultural sector, which accounted for the majority of global antibiotic consumption, remained a particularly challenging domain for governance, as the economic interests of intensive livestock production often conflicted with public health objectives to reduce unnecessary antibiotic use.

The research and development pipeline for new antimicrobials remained dangerously thin, with major pharmaceutical companies having largely exited antibiotic development due to unfavorable economic returns. The governance challenge of incentivizing antibiotic innovation while simultaneously stewarding existing antimicrobials to preserve their efficacy represented a complex policy problem that existing market mechanisms and regulatory frameworks had failed to solve. Several innovative financing models were under discussion or in early implementation, including subscription-based payment models, market entry rewards, and delinked incentive structures that would separate pharmaceutical revenues from sales volumes. The adoption of a political declaration on AMR at the UN General Assembly High-Level Meeting, scheduled for 2024, represented an opportunity to elevate the political salience of the issue and to secure stronger commitments from member states, though the translation of political declarations into concrete governance actions had proven challenging in previous iterations of this process.

10.9 Mental Health and Global Governance

The COVID-19 pandemic generated a global mental health crisis of unprecedented scale, drawing sustained attention to a governance domain that had long been neglected within the multilateral system. The WHO estimated that the global prevalence of anxiety and depression increased by approximately 25 percent in the first year of the pandemic, with the greatest impacts concentrated among young people, women, healthcare workers, and individuals in low-income settings. The mental health consequences of the pandemic extended beyond the direct effects of infection and illness to encompass the psychosocial impacts of social isolation, economic insecurity, disrupted education, and the loss of family members and community networks. Despite the severity and widespread nature of these impacts, mental health governance remained severely under-resourced, with the median government expenditure on mental health standing at less than 2 percent of total health budgets in most countries.

The WHO's Comprehensive Mental Health Action Plan 2013-2030 provided a framework for scaling up mental health services, promoting human rights in mental health care, and strengthening research and evidence, but implementation lagged significantly behind the plan's targets. The pandemic created a political window of opportunity to advance mental health governance, as the visibility of mental health issues increased and the economic costs of untreated mental health conditions became more apparent to policymakers. Several countries introduced innovative governance approaches during the analytical period, including the integration of mental health into primary health care services, the deployment of digital mental health platforms, and the establishment of national mental health hotlines and tele-counseling services. The World Bank and WHO jointly promoted the inclusion of mental health in universal health coverage benefit packages, arguing that the economic returns on mental health investment substantially exceeded the costs.

The governance of mental health at the global level faced distinctive challenges related to cultural diversity in the conceptualization of mental illness, the protection of the rights of persons with mental health conditions, and the shortage of trained mental health professionals in low- and middle-income countries. The WHO's QualityRights initiative, which aimed to promote the human rights of persons with mental health conditions and improve the quality of care in mental health facilities, represented an important normative framework for governance reform. However, the institutional capacity to implement these standards remained limited in many settings, and the persistence of coercive practices, institutionalization, and human rights violations in mental health care highlighted the gap between international norms and domestic practice. The post-pandemic governance agenda for mental health required sustained political commitment, increased financial investment, and the integration of mental health considerations across all sectors of government policy, recognizing that mental health is both a determinant and a consequence of outcomes in education, employment, social protection, and environmental quality.

Chapter 11: Regional Governance Systems

11.1 The Role of Regional Governance in the Multilateral Order

Regional governance institutions have assumed an increasingly central role in the multilateral order during the analytical period from January 2020 through November 2023, functioning as both complements to and substitutes for global-level mechanisms across the twelve governance domains examined in this report. The intensification of geopolitical competition, the strain placed on universal multilateral institutions by the COVID-19 pandemic and successive global crises, and the growing demand for governance solutions tailored to regional contexts all contributed to the enhanced salience of regional organizations as governance actors. Regional bodies demonstrated particular effectiveness in areas requiring rapid coordinated action among proximate states, including pandemic response, trade facilitation, security cooperation, and environmental management. The period witnessed significant institutional evolution across multiple regional frameworks, from the European Union's navigation of multiple overlapping crises to the African Union's maturation as a peace and security actor and the deepening of economic governance mechanisms in the Asia-Pacific region.

The relationship between regional and global governance remained conceptually and practically contested throughout the analytical period. The principle of subsidiarity, which holds that governance functions should be performed at the most local level capable of effective action, provided a normative framework for understanding the division of labor between regional and universal institutions. In practice, however, the boundaries between regional and global governance were often blurred, with regional organizations serving as implementation partners for global agreements, as advocates for regional interests in global negotiations, and as alternative governance platforms when global-level mechanisms proved gridlocked or inadequate. The proliferation of regional trade agreements, the establishment of regional pandemic response funds, and the development of regional climate adaptation frameworks all illustrated the dynamic interplay between governance levels. At the same time, concerns about the fragmentation of the multilateral system into competing regional blocs, the duplication of governance functions, and the potential for regional organizations to undermine universal norms and standards animated ongoing debates about the optimal architecture of the multilateral order.

The diversity of regional governance models across different geographic regions reflected the distinct historical, political, and economic contexts in which these institutions evolved. Regional organizations in Europe operated within the most highly institutionalized framework, with legally binding supranational authority in key policy domains. African regional governance was characterized by a more recent institutional trajectory, with the African Union and its subsidiary bodies navigating the tension between respect for national sovereignty and the imperative of collective action on cross-border challenges. Asian regional governance remained the most institutionally diverse, with overlapping and sometimes competing frameworks that reflected the region's geopolitical complexity and the reluctance of key states to accept binding supranational authority. The Pacific Islands Forum represented a distinctive model of small-state regional governance, where collective action was driven by shared vulnerability to climate change and the particular challenges of small island developing states. These divergent trajectories produced a rich but fragmented landscape of regional governance that both enriched and complicated the broader multilateral system.

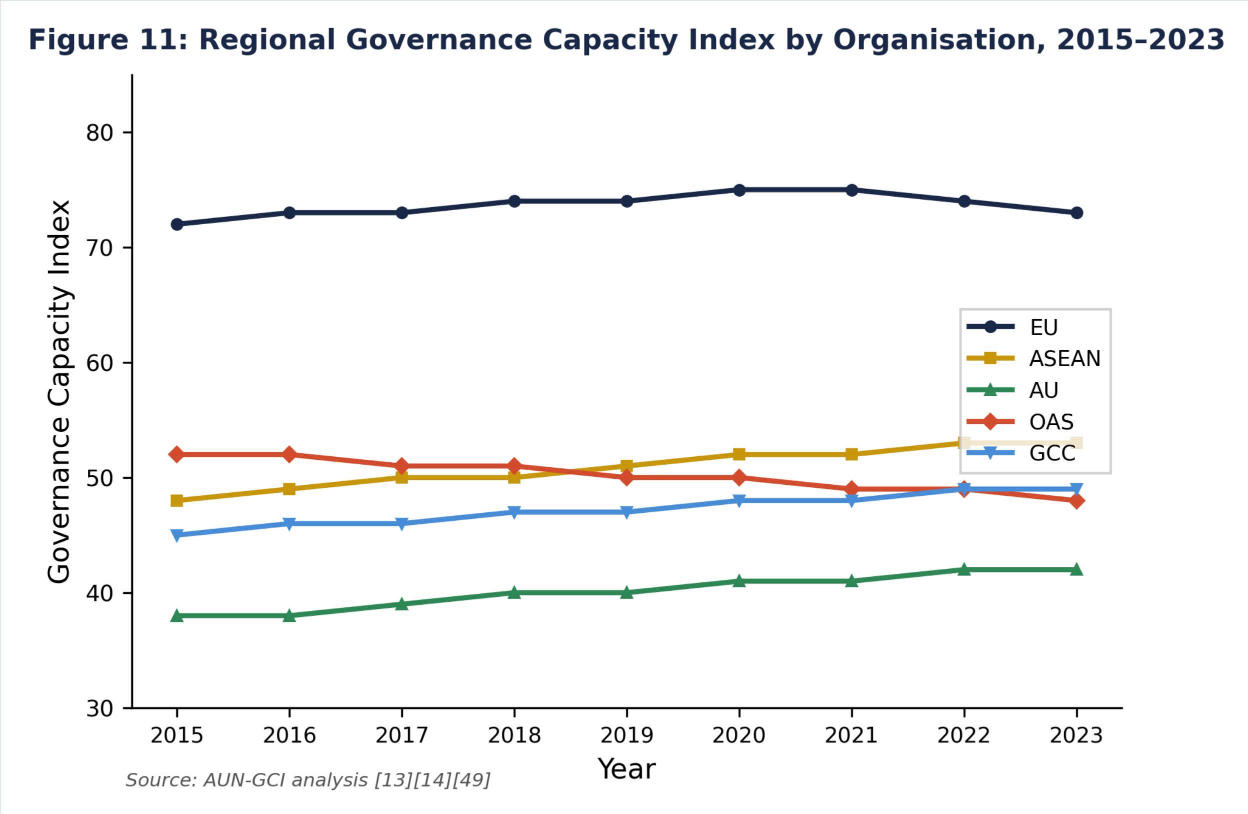

Figure 11: Regional Governance Capacity Index by Organisation, 2015-2023

Source: AUN-GCI analysis based on V-Dem, WGI, and IEP data [13][14][49].

11.2 The European Union

The European Union confronted an extraordinary sequence of governance challenges during the analytical period that tested the resilience and adaptability of the most institutionally advanced regional governance framework in the world. The COVID-19 pandemic required an unprecedented level of coordinated action across public health, economic, and fiscal policy domains, ultimately catalyzing institutional innovations that had previously been considered politically impossible within the EU framework. The adoption of the NextGenerationEU recovery instrument, with a combined fiscal capacity of approximately 750 billion euros, represented a landmark moment in European fiscal governance, establishing for the first time a significant pool of common debt issued at the Union level. This fiscal innovation was accompanied by enhanced coordination on pandemic response, including joint procurement of medical equipment and vaccines, mutual recognition of vaccination certificates, and the establishment of the Health Emergency Preparedness and Response Authority as a permanent institutional mechanism for cross-border health security.

The EU's governance capacity was simultaneously tested by the existential challenge posed by Russia's full-scale invasion of Ukraine in February 2022. The Union's response, which included the rapid imposition of extensive sanctions packages, the activation of the Temporary Protection Directive to provide immediate protection to displaced persons, the provision of military and financial assistance to Ukraine, and the accelerated integration of Ukraine into EU energy and market systems, demonstrated both the institutional agility and the political solidarity that the Union could mobilize in the face of a clear external threat. The energy crisis triggered by the invasion and the deliberate disruption of Russian gas supplies required the EU to undertake a rapid restructuring of its energy governance framework, accelerating the transition toward renewable energy sources, diversifying supply routes, and establishing mechanisms for coordinated gas purchasing and demand reduction. The REPowerEU plan, adopted in May 2022, represented a comprehensive governance response to the energy security challenge, linking short-term crisis management to the longer-term objectives of the European Green Deal.

Despite these significant governance achievements, the EU faced persistent internal challenges that tested the coherence and effectiveness of its institutional framework. The rule of law tensions with Poland and Hungary, the debate over migration policy reform following the 2015-2016 refugee crisis, and the economic divergence between northern and southern member states all continued to strain the Union's governance capacity. The period also witnessed the departure of the United Kingdom from the EU, the first instance of a member state withdrawing from the Union, which created governance challenges in areas ranging from trade relations to security cooperation. The EU's approach to enlargement, particularly regarding the accession prospects of Ukraine, Moldova, and the Western Balkan states, raised fundamental questions about institutional absorptive capacity, the conditions for membership, and the Union's strategic orientation toward its neighborhood. The EU experience during the analytical period demonstrated both the strengths and the limits of highly institutionalized regional governance, showing that even the most developed supranational framework could be strained by the magnitude and simultaneity of the challenges it faced.

11.3 The African Union and African Regional Governance

The African Union underwent significant institutional maturation during the analytical period, consolidating its role as the primary governance framework for peace and security, political cooperation, and socioeconomic integration on the continent. The AU's governance architecture, which encompasses the Assembly of Heads of State and Government, the Peace and Security Council, the Commission, and a network of Regional Economic Communities, provided the institutional framework for collective action on a range of challenges from armed conflict and unconstitutional changes of government to public health emergencies and climate adaptation. The period witnessed both notable successes and persistent limitations in the Union's governance capacity, reflecting the ongoing tension between the ambitious normative framework established by the AU's founding instruments and the practical constraints imposed by limited financial resources, sovereignty sensitivities, and the complexity of the continent's security and development challenges.

In the domain of peace and security, the AU confronted a daunting array of crises during the analytical period, including the Tigray conflict in Ethiopia, the military coups that swept through the Sahel region, the ongoing instability in the eastern Democratic Republic of Congo, and the political crisis in Sudan. The AU's response to these crises illustrated both its growing institutional capacity and its structural limitations. The Union's normative framework on unconstitutional changes of government, which provided for the suspension of member states that experienced military coups, was tested by the frequency of such events during the period, with the Sahel region experiencing a succession of military takeovers in Mali, Guinea, Burkina Faso, and Niger. The AU's capacity to mediate conflicts and facilitate political transitions remained constrained by the financial and logistical dependence on external partners, the divergence of interests among member states, and the growing competition between the AU and other external actors, including bilateral partners and private military contractors, in African conflict zones.

The African Continental Free Trade Area, which entered its operational phase in January 2021, represented the most ambitious integration initiative on the continent and a potentially transformative governance mechanism for economic development. The AfCFTA aimed to create a single continental market for goods and services with free movement of business persons and investments, encompassing a combined GDP of approximately $3.4 trillion and a population of 1.3 billion people. The agreement's implementation, however, progressed unevenly during the analytical period, with negotiations on critical protocols including those on investment, intellectual property, and competition policy still ongoing. The governance challenge of translating the AfCFTA's ambitious legal framework into tangible trade facilitation, industrial development, and economic integration outcomes required sustained political commitment from member states, institutional capacity building at the continental and national levels, and the mobilization of adequate financial resources for infrastructure and trade-related adjustments.

11.4 Asian and Pacific Regional Governance

Asian and Pacific regional governance during the analytical period was characterized by institutional complexity, geopolitical contestation, and the dynamic interplay between economic integration imperatives and security competition. The region hosted a dense network of overlapping regional institutions, including the Association of Southeast Asian Nations, the Asia-Pacific Economic Cooperation forum, the East Asia Summit, the Quad grouping, and the Shanghai Cooperation Organisation, each reflecting different conceptions of regional order and different configurations of membership and institutional authority. The absence of a single comprehensive regional institution comparable to the European Union created both opportunities for flexibility and challenges of coordination, with the proliferation of regional forums sometimes complicating rather than facilitating collective governance action.

ASEAN remained the primary institutional framework for regional governance in Southeast Asia, operating on the principles of consensus-based decision-making, non-interference in domestic affairs, and the centrality of ASEAN in the evolving regional architecture. The analytical period tested ASEAN's governance capacity on multiple fronts, including the Myanmar crisis following the military coup in February 2021, the management of South China Sea tensions, the economic recovery from the COVID-19 pandemic, and the challenge of climate change adaptation. ASEAN's response to the Myanmar crisis, which included the adoption of the Five-Point Consensus in April 2021 and the appointment of a special envoy, demonstrated both the organization's normative commitment to regional conflict management and the severe constraints imposed by its consensus principle and its tradition of non-interference. The limited effectiveness of the ASEAN-led response to the Myanmar crisis reignited debates about the need for institutional reform within the grouping, though fundamental changes to the ASEAN way remained unlikely given the strong attachment of member states to the existing framework.

The announcement of the BRICS expansion in August 2023, with new members set to join effective January 2024, had significant implications for Asian regional governance dynamics. The expansion brought several Asian states into the BRICS framework, potentially reshaping the landscape of South-South cooperation and creating new platforms for economic and political coordination among emerging economies. The BRICS expansion reflected the broader trend toward multipolarity in the regional governance architecture and the growing demand for institutional frameworks that reflected the evolving distribution of economic and political power in the Asia-Pacific region. The announcement also intersected with ongoing debates about the relationship between BRICS and existing Asian regional institutions, and the potential for new or reconfigured governance mechanisms to address gaps in the current institutional landscape. The G20 New Delhi Declaration, adopted in September 2023, provided another important platform for Asian and global governance coordination, reflecting India's active role in promoting multilateral cooperation and development finance reform [22].

11.5 Regional Governance: Comparative Assessment

A comparative assessment of regional governance systems across the major geographic regions reveals significant variation in institutional depth, operational effectiveness, and capacity to address the governance challenges that defined the analytical period. The European Union continued to represent the most institutionally developed model of regional governance, with legally binding supranational authority, independent institutional actors, and a comprehensive policy framework spanning economic, social, environmental, and security domains. African regional governance demonstrated the most dynamic institutional trajectory, with the AfCFTA representing a potentially transformative integration initiative and the AU developing an increasingly sophisticated governance framework for peace and security, though operational capacity and financial sustainability remained persistent challenges. Asian regional governance remained the most fragmented and geoeconomically contested, with multiple overlapping institutions reflecting divergent strategic visions and the absence of a single comprehensive framework. Latin American regional governance experienced periods of both advancement and retrenchment, with political polarization and economic instability affecting institutional coherence across several subregional groupings.

Region	Primary Organisation	Member States	Key Strengths	Key Weaknesses
Europe	European Union	27	Deep integration, strong institutions, comprehensive legal framework	Internal divisions, enlargement complexity, democratic backsliding concerns
Africa	African Union	55	Normative ambition, demographic dynamism, continental free trade area	Resource constraints, governance capacity deficits, security challenges

Southeast Asia	ASEAN	10	Consensus-building model, economic dynamism, centrality principle	Non-interference limits enforcement, institutional capacity gaps
South Asia	SAARC	8	Cultural and historical commonality	India-Pakistan rivalry paralyses cooperation; limited institutional capacity
Americas	OAS	35	Long institutional history, human rights system	US dominance concerns, limited enforcement capacity
MENA	Arab League	22	Shared language and culture, common challenges	Internal divisions, limited institutional capacity, conflict spillovers
Pacific	PIF	18	Climate advocacy, ocean governance leadership	Small-state capacity constraints, geographic dispersion

Table 5: Regional Governance Systems: Comparative Overview. Sources: [14][24][49][56].

The comparative assessment also revealed important commonalities across regional governance systems. All regions faced the challenge of balancing national sovereignty with collective governance imperatives, particularly in domains such as trade policy, environmental regulation, and health security. The COVID-19 pandemic demonstrated that regional governance mechanisms could serve as effective bridges between national responses and global coordination, with regional bodies playing critical roles in vaccine procurement, border management, and economic recovery coordination. Climate change emerged as a governance domain in which regional approaches offered particular value, as the impacts of climate change and the requirements for adaptation and mitigation were often most effectively addressed at the regional and subregional levels. The Pacific Islands Forum's leadership on ocean governance and climate advocacy, ASEAN's coordination on haze pollution and disaster management, and the EU's regulatory framework for carbon emissions all illustrated the distinctive contributions of regional governance to addressing transboundary environmental challenges.

The effectiveness of regional governance was also shaped by the broader geopolitical environment, with great power competition creating both opportunities and constraints for regional institutions. In regions where geopolitical competition was most intense, including Eastern Europe, the South China Sea, and the Sahel, regional governance mechanisms were often strained by the alignment pressures exerted by competing external actors. Conversely, regions that managed to maintain a degree of strategic autonomy and institutional independence demonstrated greater capacity to develop governance solutions tailored to regional needs and priorities. The analytical period underscored the importance of regional governance as a component of the multilateral order that could not be reduced to a simple function of great power preferences, but rather reflected the agency, interests, and institutional creativity of regional actors themselves.

11.6 Governance Innovation in the Global South

The analytical period witnessed significant governance innovation in the Global South, driven by the recognition that existing multilateral institutions did not adequately reflect the interests, priorities, and capabilities of developing countries. The expansion of the BRICS grouping, announced in August 2023 with new members effective January 2024, represented the most visible expression of this trend, creating a platform for economic and political coordination among major emerging economies that increasingly shaped the agenda of global governance. The New Development Bank, established by the BRICS in 2014, continued to grow its lending portfolio during the analytical period, providing an alternative source of development finance that operated outside the governance frameworks of the Bretton Woods institutions. The bank's approach to lending, which emphasized borrower ownership, local currency financing, and the avoidance of policy conditionality, reflected a deliberate governance model designed to address perceived deficiencies in the existing development finance architecture.

African governance innovation during the period extended beyond the AU and AfCFTA to encompass a range of subregional and sectoral initiatives. The African Risk Capacity, an African Union specialized agency that provided disaster risk insurance and early response financing, represented an innovative governance mechanism for managing climate-related risks. The African Vaccine Acquisition Trust, established during the COVID-19 pandemic, demonstrated the capacity of African institutions to mobilize and deploy financial resources for continental health priorities, even as it highlighted the persistent limitations of relying on ad hoc mechanisms rather than permanent institutional frameworks. The governance innovations in the Global South were not limited to formal intergovernmental institutions but also encompassed civil society networks, private sector coalitions, and South-South knowledge exchange platforms that contributed to the diffusion of governance practices and the development of contextually appropriate solutions to shared challenges.

In Latin America, the analytical period saw both the deepening of existing governance mechanisms and the emergence of new institutional frameworks in response to regional challenges. The Community of Latin American and Caribbean States continued to serve as a platform for political coordination that excluded the United States and Canada, reflecting the region's aspiration toward greater autonomy in its governance arrangements. The Pacific Alliance maintained its focus on economic integration and trade facilitation among its member states, while the Southern Common Market navigated the challenges of political divergence and economic policy coordination. The governance innovations in Latin America during the period also included advances in digital governance, with several countries implementing digital identity systems, electronic government platforms, and regulatory frameworks for emerging technologies that positioned the region as a laboratory for governance innovation in the digital domain.

11.7 The Interplay Between Regional and Global Governance

The relationship between regional and global governance during the analytical period was characterized by growing complexity, mutual dependence, and periodic tension. Regional organizations served as critical intermediaries between national governments and global institutions, translating global norms and agreements into regionally appropriate frameworks and advocating for regional interests in global negotiations. The implementation of the Paris Agreement on climate change, for example, relied heavily on regional and subregional mechanisms for adaptation planning, technology transfer, and climate finance delivery. Similarly, the governance of pandemic response required close coordination between WHO at the global level and regional organizations such as the Africa Centres for Disease Control and Prevention, the European Centre for Disease Prevention and Control, and the ASEAN Plus Three health security framework. These intergovernmental relationships created a multi-layered governance architecture in which regional and global institutions were increasingly interdependent but not always seamlessly aligned.

The interplay between regional and global governance also generated tensions related to authority, legitimacy, and resource allocation. Regional organizations sometimes chafed at the constraints imposed by global frameworks that did not adequately account for regional specificities, while global institutions sometimes viewed regional initiatives as competing rather than complementary governance mechanisms. The debate over the role of regional organizations in the UN peace and security architecture illustrated this tension, with the African Union's aspiration for greater financial and operational autonomy in peacekeeping operations encountering resistance from some permanent members of the Security Council who were reluctant to cede authority or share financial responsibility for mandated operations. The governance of trade provided another example, as the proliferation of regional and bilateral trade agreements created a complex web of overlapping commitments that sometimes complicated rather than facilitated the multilateral trading system overseen by the World Trade Organization.

The analytical period also highlighted the potential for regional governance to serve as a laboratory for institutional innovation that could subsequently inform global governance reform. The EU's regulatory frameworks in areas such as data protection, digital platform governance, and environmental standards had significant normative influence beyond Europe, shaping the governance approaches adopted in other regions and informing global standard-setting processes. Similarly, the African Union's normative frameworks on governance, democracy, and constitutionalism, while imperfectly implemented, contributed to the development of regional governance standards that complemented and sometimes advanced the normative frameworks of the United Nations. The challenge for the multilateral system was to create institutional mechanisms that facilitated the upward diffusion of governance innovations from the regional to the global level while maintaining coherence and consistency across the multi-layered governance architecture.

11.8 The Pacific Islands Forum and Small State Governance

The Pacific Islands Forum emerged during the analytical period as a particularly influential voice in global governance on issues of central concern to small island developing states, most notably climate change and ocean governance. The Forum, which brings together 18 member states and territories across the Pacific, provided a governance framework through which some of the world's smallest and most climate-vulnerable states could aggregate their political voice and engage effectively with larger regional and global actors. The period witnessed the Forum navigating both internal challenges, including tensions over membership and leadership, and external challenges related to the intensification of great power competition in the Pacific region. The departure and subsequent return of several member states during the analytical period tested the Forum's cohesion but ultimately demonstrated the enduring value of the institution as a platform for Pacific regional cooperation.

Climate change represented the existential governance challenge for Pacific Island states, and the Forum played a central role in amplifying the voice of Pacific nations in global climate negotiations. The region's advocacy for more ambitious emissions reduction targets, increased climate finance, and the recognition of loss and damage as a distinct element of the international climate architecture contributed significantly to the outcomes of the COP27 and COP28 negotiations. The Forum's 2050 Strategy for the Blue Pacific Continent, adopted in 2022, provided a comprehensive governance framework linking climate action, ocean management, economic development, and security cooperation in an integrated vision for the region's future. This strategic framework reflected the distinctive governance perspective of small island developing states, for whom the boundaries between environmental, economic, and security challenges were inherently blurred by the geographic and ecological realities of Pacific island life.

The governance of the Pacific region was also shaped by the growing strategic competition between major powers, particularly the United States and China, and by the increasing engagement of other external actors including Australia, New Zealand, Japan, India, and the European Union. The Pacific Islands Forum sought to navigate this competition by asserting the agency of Pacific states in determining their own governance priorities and by establishing frameworks for external engagement that protected the region's strategic autonomy. The Boe Declaration on Regional Security, adopted in 2018 and reaffirmed during the analytical period, expanded the concept of security in the Pacific to encompass environmental security, human security, and cyber security, reflecting a broad and inclusive approach to governance that distinguished the Pacific framework from more narrowly military conceptions of regional security. The Forum's experience demonstrated that small states could exercise significant governance agency when they acted collectively through effective regional institutions.

11.9 Regional Economic Communities and Trade Integration

Regional economic communities and trade integration mechanisms constituted a critical dimension of regional governance during the analytical period, with significant developments across multiple regions that reshaped the architecture of international trade and economic cooperation. The operationalization of the African Continental Free Trade Area represented the most ambitious trade integration initiative in Africa's history, aiming to create a single continental market that could transform the continent's economic structure and reduce its dependence on external markets. The AfCFTA's implementation faced substantial challenges, including the need to complete negotiations on remaining protocols, to establish the necessary institutional infrastructure for dispute settlement and trade facilitation, and to address the significant infrastructure deficits and non-tariff barriers that continued to constrain intra-African trade. Despite these challenges, the agreement's entry into operational phase in January 2021 sent a powerful signal about the continent's commitment to economic integration and provided a framework for addressing the governance challenges of trade liberalization in a developmentally sensitive manner.

In the Asia-Pacific region, the Regional Comprehensive Economic Partnership entered into force in January 2022, creating the world's largest free trade area by GDP and bringing together 15 Asia-Pacific economies in a comprehensive trade agreement. The RCEP represented a significant milestone in Asian economic governance, particularly given the absence of the United States from regional trade architecture following its withdrawal from the Trans-Pacific Partnership. The agreement's provisions on trade in goods, services, investment, and economic cooperation established a framework for deeper economic integration among participating economies, though its governance standards in areas such as labor, environment, and state-owned enterprises were less ambitious than those of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership. The coexistence of RCEP and CPTPP in the Asia-Pacific region reflected the broader trend toward a multi-track trade governance architecture in which states participated in different configurations of trade agreements reflecting their varying levels of ambition and their strategic preferences regarding the depth and scope of economic integration.

The European Union continued to serve as the most advanced model of regional economic integration, with the single market, the customs union, and the eurozone providing progressively deeper levels of economic governance among participating member states. The analytical period saw the EU negotiate and conclude several new trade agreements, including agreements with the United Kingdom, Mercosur, and several African, Caribbean, and Pacific states, while also navigating the internal tensions created by energy price shocks, inflation, and the economic consequences of the conflict in Ukraine. The EU's approach to trade governance, which increasingly linked market access to environmental and labor standards through mechanisms such as the Carbon Border Adjustment Mechanism and the deforestation regulation, represented a governance model that sought to leverage the Union's market power to advance broader normative objectives. This approach generated both admiration and concern among trading partners, with some viewing it as a legitimate exercise of regulatory sovereignty and others regarding it as a form of regulatory unilateralism that could create barriers to trade for developing countries.

Chapter 12: The Global South and Demands for Reform

12.1 The Rise of the Global South in Global Governance

The analytical period from January 2020 through November 2023 marked a decisive phase in the growing assertiveness of the Global South within the multilateral governance architecture. The convergence of multiple global crises, including the COVID-19 pandemic, the climate emergency, the food and energy security shocks triggered by the conflict in Ukraine, and the acceleration of digital transformation, created both acute vulnerabilities and strategic opportunities for developing countries. These crises exposed the structural inequities embedded in the existing governance framework, from the disproportionate burden of pandemic impacts on developing countries to the inadequate representation of Global South voices in the institutions that set the rules of international economic and political order. The period witnessed a significant escalation in demands for governance reform, driven by a growing consensus among developing countries that the multilateral system required fundamental restructuring to reflect contemporary realities of power, prosperity, and population [32]. The G20 New Delhi Declaration, adopted in September 2023, provided an important platform for advancing Global South priorities, with India using its presidency to champion issues including development finance reform, digital public infrastructure, and the reform of multilateral development banks [22].

The demographic and economic weight of the Global South continued to shift the center of gravity of global governance during the analytical period. Developing countries accounted for an increasing share of global economic output, trade, and population, yet their representation in the governing structures of key multilateral institutions remained disproportionately limited. The BRICS expansion, announced in August 2023 with new members set to join effective January 2024, represented a symbolic and practical assertion of Global South agency in reshaping the institutional architecture of international cooperation. The expanded BRICS grouping encompassed a substantial share of global GDP, population, and natural resources, creating a platform for coordination among major emerging economies that challenged the traditional dominance of Western-led governance frameworks. The expansion also reflected the growing demand among developing countries for institutional alternatives that could provide greater voice, more equitable access to development finance, and governance models that did not impose policy conditionality aligned with the preferences of traditional donor countries.

The Global South's demand for governance reform was not monolithic but reflected a diversity of perspectives, priorities, and strategic orientations across different regions and country groupings. The African Union's common position on UN Security Council reform, the demands of climate-vulnerable developing states for loss and damage financing, the positions of middle-income countries on technology transfer and intellectual property, and the distinct perspectives of least developed countries on special and differential treatment in trade governance all contributed to a complex and sometimes contested reform agenda. What united these diverse demands was a fundamental challenge to the distribution of power, authority, and resources within the multilateral system. The period witnessed a growing articulation of the argument that governance legitimacy required not only effective performance but also equitable representation, and that the multilateral system's ability to address transboundary challenges depended on the meaningful participation of all states in governance decision-making processes [33].

12.2 UN Security Council Reform

The demand for reform of the United Nations Security Council remained one of the most persistent and politically contentious issues in global governance throughout the analytical period. The Council's composition, which had remained essentially unchanged since 1965, continued to reflect the distribution of power at the end of the Second World War rather than the contemporary realities of the international system. The absence of permanent representation from Africa, Latin America, and South

Asia, the underrepresentation of developing countries more broadly, and the veto power wielded by the five permanent members all generated growing demands for institutional restructuring. The Secretary-General's New Agenda for Peace, released in 2023, acknowledged the urgency of Security Council reform and called for meaningful progress toward a more representative, transparent, and accountable body [37]. However, the structural obstacles to reform, including the requirement for approval by two-thirds of the General Assembly and ratification by two-thirds of member states including all five permanent members, ensured that progress remained slow and incremental.

The performance of the Security Council during the analytical period intensified demands for reform. The Council's inability to take effective action on the Syrian conflict, the Ethiopia-Tigray crisis, and the Russia-Ukraine war demonstrated the paralysis that could result from great power disagreement and the exercise of the veto. The African continent, which accounted for a majority of the items on the Council's agenda and a disproportionate share of UN peacekeeping deployments, remained without permanent representation, a situation that African leaders and diplomats increasingly described as both unjust and unsustainable. The African Union's Ezulwini Consensus, which called for two permanent and five non-permanent seats for Africa on an expanded Security Council, remained the continent's common negotiating position, though the divergent interests of African states regarding which countries should occupy any new permanent seats complicated the continent's leverage in reform negotiations. The Intergovernmental Negotiations on Security Council reform continued throughout the analytical period, but the absence of a agreed text for negotiation and the deeply entrenched positions of key stakeholders prevented substantive progress.

Beyond the question of membership expansion, the Security Council's working methods and transparency practices also faced demands for reform during the analytical period. The growing use of the veto by permanent members, the limited opportunities for non-Council members to participate in Council deliberations, and the insufficient accountability of the Council to the broader UN membership all contributed to a legitimacy deficit that undermined the body's authority and effectiveness. The General Assembly's resolution requiring permanent members to provide justifications when exercising the veto, adopted in April 2022, represented a modest but symbolically important step toward greater accountability, though it did not constrain the veto power itself. The broader reform agenda for the Security Council encompassed not only institutional restructuring but also a reconsideration of the Council's relationship with other UN bodies, including the General Assembly, the Peacebuilding Commission, and regional organizations, in order to create a more coherent and effective international peace and security architecture.

12.3 International Financial Architecture Reform

The reform of the international financial architecture emerged as one of the most prominent and widely supported demands of the Global South during the analytical period, driven by the recognition that the institutions governing international finance, trade, and development cooperation no longer reflected the contemporary distribution of economic power or adequately served the needs of developing countries. The Bretton Woods institutions, designed in 1944, continued to allocate governance power on the basis of economic weight and historical arrangements that systematically underrepresented the Global South. The International Monetary Fund's quota and governance structure, the World Bank's capital structure and voting arrangements, and the governance of the G20 all faced demands for reform that sought to increase the voice and participation of developing countries and to align institutional mandates with the challenges of the twenty-first century. The G20 New Delhi Declaration specifically called for reform of multilateral development banks to better address global challenges, including climate change, health security, and digital transformation [22].

The IMF's governance structure was the subject of particular scrutiny during the analytical period. Updated through 15 December 2023: the IMF's Board of Governors approved a 50 percent equiproportional increase in member quotas, a significant decision that would enhance the Fund's financial capacity while leaving members' quota shares unchanged at that time. The decision also called for further work on possible approaches to future quota realignment to better reflect changes in the world economy, an issue of particular importance to emerging market and developing countries that continue to seek greater voting power commensurate with their growing economic weight. The quota increase represented the first adjustment since the 2010 reform that was implemented in 2016, and its approval on the final day of the analytical period underscored the protracted nature of governance reform in international financial institutions. Despite the increase, developing countries continued to be underrepresented relative to their share of global GDP, and the gap between the formal governance framework and the informal influence exercised by major shareholders, particularly the United States and European states, remained a source of frustration for Global South countries. The reform of IMF surcharge policies, which imposed additional costs on countries with large or prolonged borrowing from the Fund, also attracted attention during the period, with several developing countries arguing that surcharges disproportionately penalized the countries most in need of financial support.

The reform of multilateral development banks was a central theme of the G20 process during 2023, with India's presidency establishing an expert group to propose recommendations for strengthening the capacity, governance, and operational modalities of the MDB system. The expert group's recommendations, which called for a fundamental evolution of the MDB system to address global challenges more effectively, reflected the growing consensus among both developed and developing countries that the existing institutional framework was inadequate for the scale and complexity of contemporary development challenges. Key recommendations included the expansion of MDB lending capacity through balance sheet optimization, the strengthening of concessional financing windows, the improvement of country ownership and alignment with national development priorities, and the enhancement of institutional governance to increase the voice of borrowing countries. The challenge for the reform agenda was to translate these recommendations into concrete institutional changes that could command the political support of both creditor and borrower countries while maintaining the financial sustainability and creditworthiness of the MDB system.

12.4 Climate Justice and Equity

Climate justice and equity constituted a central dimension of the Global South's demands for governance reform during the analytical period, reflecting the fundamental inequity between the historical responsibility for greenhouse gas emissions, which lay overwhelmingly with industrialized countries, and the disproportionate burden of climate impacts, which fell most heavily on developing countries and particularly on the most vulnerable communities within them. The COP27 decision to establish a fund and funding arrangements for responding to loss and damage, adopted in November 2022, represented a landmark achievement for climate justice advocates and for the climate-vulnerable developing countries that had championed the issue for decades. The operationalization of the loss and damage fund during 2023, including the agreement on its institutional arrangements at COP28, demonstrated that the Global South could achieve meaningful governance outcomes through sustained collective advocacy within the multilateral framework. However, the scale of resources committed to the fund remained modest relative to the estimated needs, and the governance arrangements continued to reflect a tension between developing country demands for direct access and control and developed country preferences for institutional safeguards and oversight mechanisms [44].

The governance of climate finance more broadly remained a persistent source of friction between developed and developing countries throughout the analytical period. The unfulfilled commitment by developed countries to mobilize $100 billion annually in climate finance for developing countries, originally made in 2009 with a target date of 2020, continued to erode trust in the governance of the international climate regime. The New Collective Quantified Goal on climate finance, which was scheduled to be established before 2025, became a critical negotiating issue, with developing countries demanding significantly higher levels of financial support, more equitable access mechanisms, and a broader definition of climate finance that encompassed grants rather than loans. The governance of the Green Climate Fund, the Adaptation Fund, and other climate finance mechanisms faced ongoing challenges related to the balance between mitigation and adaptation funding, the accessibility of funding for the most vulnerable countries, and the adequacy of institutional capacity to absorb and deploy climate finance effectively.

Climate justice also encompassed demands for the reform of global governance mechanisms in areas beyond the formal climate regime. The linkages between climate change and trade policy, debt sustainability, migration, food security, and human rights created a complex web of governance interdependencies that required integrated and coherent policy approaches. The Global South's advocacy for climate justice increasingly emphasized the need for systemic reform of the international economic architecture to address the structural conditions that amplified climate vulnerability, including unsustainable debt burdens, inequitable trade rules, and inadequate technology transfer mechanisms. The Kunming-Montreal Global Biodiversity Framework, adopted at COP15 in December 2022, provided another important arena for advancing Global South priorities in environmental governance, including the establishment of a biodiversity fund and commitments on resource mobilization that reflected the principle of common but differentiated responsibilities [44]. The challenge for the governance system was to operationalize these commitments in ways that delivered tangible benefits to the communities and countries most affected by both climate change and biodiversity loss.

12.5 Technology Transfer and Intellectual Property

The governance of technology transfer and intellectual property emerged as a critical frontier in the Global South's demands for equitable multilateral governance during the analytical period. The

COVID-19 pandemic brought the intellectual property and technology transfer debate to the forefront of global governance, as the inequitable distribution of vaccines, diagnostics, and therapeutics highlighted the tension between the proprietary rights of pharmaceutical companies and the public health needs of developing countries. The debate over the TRIPS waiver proposal for COVID-19 vaccines, which was ultimately adopted in a modified form by the WTO Ministerial Conference in June 2022, illustrated both the potential and the limitations of the multilateral system in addressing the intellectual property dimensions of global public goods provision. The protracted negotiations over the waiver, which lasted more than 18 months and produced an agreement that was significantly narrower in scope than the original proposal, demonstrated the structural power of knowledge-intensive industries and their capacity to shape multilateral outcomes in ways that preserved existing intellectual property frameworks.

Beyond the immediate context of the pandemic, the technology transfer debate extended to a broader range of governance challenges, including the digital transformation, the energy transition, and the development of artificial intelligence capabilities. Developing countries argued that the existing intellectual property regime, particularly the Agreement on Trade-Related Aspects of Intellectual Property Rights, created barriers to the acquisition, adaptation, and diffusion of technologies essential for sustainable development. The demand for a more balanced approach to intellectual property governance encompassed calls for the reform of TRIPS flexibilities, the expansion of compulsory licensing mechanisms, the establishment of technology pools and patent pools for critical technologies, and the creation of institutional frameworks that facilitated the voluntary or mandated sharing of proprietary technologies in the public interest. The governance challenge was to design intellectual property regimes that provided sufficient incentives for innovation while ensuring that the benefits of technological progress were accessible to all countries and communities.

The digital governance domain presented particularly acute technology transfer challenges for the Global South. The concentration of digital infrastructure, data processing capabilities, and artificial intelligence research and development in a small number of advanced economies created what many developing countries described as a new digital divide that threatened to replicate and deepen existing patterns of global inequality. The governance of emerging technologies, including artificial intelligence, biotechnology, and quantum computing, was largely shaped by the regulatory frameworks and strategic priorities of technologically advanced countries, with limited participation by developing countries in the standard-setting and normative processes that determined the governance of these technologies. The Global South's demands for more inclusive technology governance encompassed calls for the establishment of multilateral frameworks for technology assessment, the creation of capacity-building programs for digital governance, and the reform of international patent and data governance systems to ensure that the benefits of technological innovation were more equitably distributed. The World Economic Forum's analysis of global risks consistently identified the digital divide and the unequal distribution of technological capabilities as among the most significant governance challenges of the coming decade [41].

12.6 The Changing Geopolitical Landscape

The analytical period was defined by a profound restructuring of the global geopolitical landscape that had significant implications for the governance demands and strategic orientations of the Global South. The intensification of strategic competition between the United States and China, the return of major power war to European soil with Russia's invasion of Ukraine, the growing assertiveness of middle powers in shaping the governance agenda, and the fragmentation of the liberal international order created both risks and opportunities for developing countries. The geopolitical landscape of 2023 was characterized by a transition from unipolarity toward multipolarity, with the emergence of new coalitions, alignments, and diplomatic initiatives that reflected the growing agency of non-Western states in shaping the international order. The BRICS expansion, the deepening of South-South cooperation mechanisms, and the assertion of strategic autonomy by key regional powers all contributed to a governance environment in which the Global South was no longer a passive recipient of rules and institutions designed by others but an active participant in the contestation and construction of the multilateral order.

The Global South's response to the Russia-Ukraine war illustrated the complexity of its geopolitical positioning during the analytical period. While many developing countries expressed concern about the violation of Ukraine's territorial integrity and the precedents established by the use of force, a significant number abstained from or opposed UN General Assembly resolutions condemning Russia, reflecting a reluctance to align with what was perceived as a Western-dominated framing of the conflict. The war's secondary effects, including the disruption of food and energy supplies, the inflationary pressures on developing country economies, and the diversion of development finance toward military expenditure, disproportionately affected developing countries and reinforced the perception that Global South interests were being subordinated to great power rivalries. The demand for governance reform was thus partly a demand for a multilateral system that was less susceptible to the vagaries of great power competition and more responsive to the needs and priorities of the majority of the world's population.

The geopolitical fragmentation of the multilateral system also raised concerns about the emergence of competing governance blocs and the potential for a new Cold War dynamic that would force developing countries to choose sides. Many Global South countries explicitly rejected this framing, advocating instead for a pluralistic and inclusive multilateral order that accommodated diverse political systems, development models, and strategic orientations. The concept of strategic autonomy, which had been most prominently articulated by the European Union, found echoes in the policy discourse of developing countries that sought to maintain productive relationships with multiple major powers while preserving their freedom of policy action. The challenge for global governance was to create institutional frameworks that could accommodate this diversity without descending into fragmentation, and that could harness the constructive contributions of all states to addressing shared challenges. The period underscored that the future of multilateralism depended in significant part on the capacity of the governance system to respond to the legitimate demands of the Global South for greater voice, representation, and equity.

12.7 The Summit of the Future and Multilateral Reform

The United Nations Summit of the Future, scheduled for September 2024, represented the most significant institutional opportunity for multilateral reform since the adoption of the Sustainable Development Goals in 2015. Conceived as a once-in-a-generation opportunity to reinvigorate multilateral cooperation and to address the governance gaps exposed by successive global crises, the Summit aimed to produce a negotiated outcome document, the Pact for the Future, that would set the direction for multilateral governance in the coming decades. The preparatory process for the Summit, which intensified during 2023, encompassed consultations with member states, civil society organizations, the private sector, and other stakeholders on a range of governance reform issues, including the reform of international financial institutions, the strengthening of the international peace and security architecture, the governance of emerging technologies, and the enhancement of youth participation in multilateral decision-making. The Summit's agenda reflected many of the governance concerns that animated the Global South's reform demands, including the need for more equitable representation, more effective development finance, and more inclusive governance of global public goods.

The Summit of the Future preparatory process, however, faced significant political obstacles that illustrated the structural challenges of multilateral reform. The divergence of interests among major powers on issues such as Security Council reform, the governance of artificial intelligence, and the principles governing state sovereignty and human rights created tensions that threatened to narrow the scope and ambition of the negotiated outcome. The risk that the Summit would produce a lowest-common-denominator agreement that failed to address the fundamental governance gaps identified in this report was a concern shared by many delegations and observers. At the same time, the very existence of the Summit process provided an important opportunity for the Global South to articulate its reform demands in a high-profile multilateral setting and to build coalitions around specific governance proposals. The Secretary-General's policy briefs, Our Common Agenda reports, and the recommendations of the High-Level Advisory Board on Effective Multilateralism provided intellectual and normative frameworks that informed the preparatory process and helped to shape the expectations for the Summit's outcomes.

The success of the Summit of the Future in advancing meaningful multilateral reform would depend on several critical factors. First, the willingness of major powers to accept governance changes that would moderate their disproportionate influence in existing institutions was a prerequisite for any significant reform of the Security Council, the IMF, or the World Bank. Second, the capacity of the Global South to maintain a coherent and constructive reform agenda that balanced ambition with political feasibility would determine whether the Summit produced substantive outcomes or merely aspirational language. Third, the engagement of non-state actors, including civil society, the private sector, and academic institutions, would be essential for generating the political momentum and public support necessary to overcome the inertia of the existing governance framework. The Summit represented both an opportunity and a test for the multilateral system, with its outcomes likely to shape the trajectory of global governance for years to come.

12.8 Multilateralism in an Age of Polycrisis

The analytical period from January 2020 through November 2023 was defined by what scholars and policymakers increasingly described as a polycrisis, a condition in which multiple interconnected crises interacted and amplified one another in ways that exceeded the capacity of existing governance mechanisms to respond effectively. The COVID-19 pandemic, the climate emergency, the food and energy security crises, the intensification of geopolitical competition, the democratic recession, and the acceleration of technological disruption did not unfold as separate and manageable challenges but rather as a dense web of interdependent shocks that strained governance systems at every level. The World Economic Forum's Global Risks Report 2023 captured this dynamic, identifying the polycrisis as the defining feature of the current risk landscape and warning that the interaction of multiple crises could produce cascading effects that overwhelmed governance capacity at every level [41]. For the Global South, the experience of polycrisis was particularly acute, as the compound effects of health, economic, climate, and security shocks fell disproportionately on countries with the least institutional capacity and fiscal space to manage them.

The polycrisis environment demanded a governance response that was more integrated, more agile, and more equitable than the existing multilateral framework was designed to provide. The siloed structure of the UN system, the sectoral specialization of multilateral institutions, and the fragmented nature of global governance more generally created barriers to the kind of cross-sectoral, cross-institutional coordination that the polycrisis required. The governance gap identified in this report was in significant part a product of the mismatch between the interconnected, systemic nature of contemporary challenges and the compartmentalized, incremental character of governance responses. The Global South's demands for reform were, at their core, demands for a multilateral system capable of addressing complexity, managing interdependence, and delivering equitable outcomes in a world characterized by multiple, overlapping, and mutually reinforcing crises.

The resilience of multilateralism in the face of the polycrisis depended on the capacity of the governance system to adapt, reform, and renew itself. The analytical period provided ample evidence of both the fragility and the durability of multilateral cooperation. The failures of the Security Council to address major conflicts, the inadequacy of the global health governance framework to ensure equitable vaccine access, and the slow pace of climate finance mobilization all pointed to structural weaknesses that required fundamental reform. At the same time, the successful negotiation of the Kunming-Montreal Global Biodiversity Framework, the establishment of the loss and damage fund, the operationalization of the African Continental Free Trade Area, and the persistence of multilateral diplomacy in the face of geopolitical fragmentation all demonstrated the continued relevance and vitality of the multilateral idea. The path forward for multilateralism in the polycrisis era required a governance transformation that drew on the agency and demands of the Global South while engaging the responsibility and resources of all states to build a multilateral system worthy of the challenges it faced.

Chapter 13: Conclusion and the Path Forward

13.1 Synthesis of Findings

This report has examined the state of global governance across twelve domains during the period from January 2020 through November 2023, a period defined by the convergence of multiple systemic crises that tested the resilience, adaptability, and legitimacy of the multilateral system. The findings presented across the preceding chapters reveal a governance landscape characterized by significant variation in institutional performance, a growing gap between the scale of transboundary challenges and the capacity of existing governance mechanisms to address them, and an increasingly assertive demand from the Global South for fundamental reform of the institutions and norms that govern international cooperation. The analytical framework of the AUN Flagship Report has demonstrated that governance effectiveness cannot be assessed in isolation from questions of equity, representation, and institutional design, and that the governance gap identified in this report is as much a problem of structural design and political will as it is a problem of institutional capacity.

Across the twelve governance domains examined, several common themes emerge. First, the COVID-19 pandemic served as a systemic stress test that revealed both the strengths and the profound weaknesses of the multilateral governance architecture. In global health governance, the pandemic exposed the inadequacy of existing preparedness frameworks, the inequity of global vaccine distribution, and the fragility of health systems in low- and middle-income countries. In economic governance, the pandemic triggered the most severe global recession since the Second World War and required an unprecedented fiscal and monetary policy response that tested the capacity of international financial institutions to support developing countries. In humanitarian governance, the pandemic compounded existing displacement crises and stretched the resources of humanitarian organizations to their limits. In virtually every domain, the pandemic interacted with and amplified pre-existing governance challenges, creating a compounding dynamic that the existing institutional framework was ill-equipped to manage.

Second, the democratic recession that characterized the analytical period raised fundamental questions about the relationship between domestic governance quality and the effectiveness of multilateral cooperation. Freedom House's 2023 assessment found that 52 countries were rated as Not Free, with the global average score declining for the seventeenth consecutive year [13]. The V-Dem Institute's 2023 report documented that the global level of democracy had regressed to levels last observed in 1986 [14]. These trends had direct implications for multilateral governance, as the erosion of democratic norms and institutions within states reduced the domestic political space for international cooperation, undermined the normative foundations of the rules-based international order, and created governance environments in which authoritarian states could challenge multilateral norms with greater impunity. The interplay between domestic democratic backsliding and multilateral governance effectiveness constituted one of the most concerning dynamics identified in this report.

Third, the intensification of geopolitical competition between major powers created a governance environment in which the capacity for collective action was increasingly constrained by strategic rivalry. The paralysis of the UN Security Council on major conflicts, the fragmentation of global economic governance into competing blocs, and the weaponization of economic interdependence through sanctions, export controls, and investment restrictions all reflected the governance costs of great power competition. The analytical period demonstrated that the multilateral system's ability to address transboundary challenges depended critically on the quality of relations among major powers, and that the deterioration of those relations during the period significantly impaired the governance capacity of the international system as a whole. At the same time, the report's findings across multiple domains underscored that the demand for effective multilateral governance did not diminish in the face of geopolitical competition but rather intensified, as the scale and complexity of shared challenges continued to grow.

Fourth, the climate and environmental governance domains revealed both the most severe governance gaps and the most significant institutional innovations during the analytical period. The adoption of the Kunming-Montreal Global Biodiversity Framework in December 2022 and the establishment of a fund for responding to loss and damage at COP27 represented important governance achievements that demonstrated the continued capacity of the multilateral system to produce meaningful outcomes when political conditions aligned [44]. However, the gap between the ambition of climate and biodiversity commitments and the pace of implementation remained vast, and the governance frameworks for climate mitigation, adaptation, and finance continued to be characterized by significant inequities between developed and developing countries. The World Economic Forum's Global Risks Report consistently identified environmental risks as the most severe and likely risks facing the global system, and the governance response to these risks remained the defining challenge of contemporary multilateralism [41].

13.2 The Governance Gap: Causes and Consequences

The governance gap identified across this report's twelve domains is not a single deficit but a complex and interconnected set of institutional, political, and structural shortcomings that collectively undermine the multilateral system's capacity to address the challenges of the twenty-first century. At its core, the governance gap reflects the disjunction between the nature of contemporary challenges, which are global, interconnected, and systemic, and the character of the governance institutions designed to address them, which are predominantly national, sectoral, and incremental in their design and operation. This disjunction is not new, but it has been dramatically amplified by the scale and velocity of change during the analytical period, from the pandemic's disruption of health, economic, and social systems to the accelerating impacts of climate change and the transformative potential of digital technologies.

The structural causes of the governance gap are rooted in the historical evolution of the multilateral system. The institutions created in the aftermath of the Second World War, including the United Nations, the Bretton Woods institutions, and the General Agreement on Tariffs and Trade, reflected the distribution of power, the prevailing economic orthodoxy, and the dominant security concerns of that era. While these institutions have evolved significantly over the intervening decades, their fundamental governance structures, including the composition of the UN Security Council, the quota and voting arrangements of the IMF and World Bank, and the decision-making procedures of the WTO, have not kept pace with the profound shifts in the global distribution of economic, demographic, and political weight. The consequence is a governance system that systematically underrepresents the Global South, overrepresents the interests and preferences of established powers, and lacks the institutional agility to respond to emerging challenges that did not exist when the system was designed.

The political causes of the governance gap are equally significant. The intensification of geopolitical competition, the erosion of the normative consensus that underpinned the rules-based international order, and the growing reluctance of major powers to accept constraints on their sovereign discretion have all contributed to a governance environment in which collective action is increasingly difficult to achieve. The veto power in the Security Council, the consensus requirements in the WTO, and the supermajority thresholds for institutional reform in the Bretton Woods institutions all create opportunities for a small number of states to block or dilute governance outcomes that do not align with their preferences. The democratic recession documented by Freedom House and V-Dem further compounds this political challenge, as the erosion of democratic governance within states reduces the domestic constituencies for international cooperation and strengthens the hand of actors who benefit from governance fragmentation [13][14].

The consequences of the governance gap are severe and far-reaching. The failure to ensure equitable vaccine distribution during the COVID-19 pandemic prolonged the crisis for all countries and undermined the legitimacy of the global health governance framework. The inability of the Security Council to address major conflicts allowed violence and human suffering to continue with impunity, contributing to record levels of forced displacement that reached over 110 million people by mid-2023 [17]. The inadequacy of climate finance and technology transfer mechanisms delayed the energy transition and amplified the vulnerability of developing countries to climate impacts. The weakness of digital governance frameworks allowed the proliferation of misinformation, cyber threats, and digital inequalities that undermined social cohesion and economic opportunity. In each domain, the governance gap translated directly into human costs, economic losses, and missed opportunities that compounded over time and that future generations will continue to bear.

13.3 Recommendations

The findings of this report point to a set of interconnected governance reforms that, taken together, would significantly narrow the governance gap and enhance the multilateral system's capacity to address contemporary challenges. These recommendations are organized around four strategic priorities: institutional reform, financing transformation, normative renewal, and operational innovation.

First, the reform of the governance structures of key multilateral institutions is an urgent necessity that can no longer be deferred. The UN Security Council must be expanded to ensure permanent representation from Africa, Latin America, and Asia, and its working methods must be reformed to enhance transparency, accountability, and the participation of affected countries and communities in its deliberations. The Secretary-General's New Agenda for Peace provides a valuable framework for advancing Security Council reform, and its recommendations should be taken forward with renewed political commitment [37]. The IMF quota and governance reform must continue beyond the 50 percent equiproportional quota increase approved on 15 December 2023, which left members' quota shares unchanged, to achieve a distribution of voting power that more accurately reflects the contemporary global economy. The governance of multilateral development banks must be reformed to increase the voice and participation of borrowing countries and to align institutional mandates with the full range of development challenges, including climate change, health security, and digital transformation.

Second, the transformation of development finance is essential to closing the resource gap that constrains governance effectiveness in developing countries. Multilateral development banks must significantly expand their lending capacity through balance sheet optimization, the mobilization of private capital, and the enhancement of concessional financing windows. The international community must deliver on its climate finance commitments and establish the New Collective Quantified Goal at a level commensurate with the scale of the climate challenge. Innovative financing mechanisms, including international levies on financial transactions, carbon emissions, and high-frequency trading, should be explored and implemented to generate predictable and adequate resources for global public goods provision. Debt relief and restructuring frameworks must be strengthened to ensure that developing countries are not forced to choose between debt service and investment in health, education, and climate resilience.

Third, the normative foundations of multilateral governance must be renewed to address the challenges of the twenty-first century. The Pandemic Accord under negotiation at the WHO should establish binding obligations for pathogen surveillance, data sharing, and equitable access to medical countermeasures that go beyond the voluntary commitments that proved inadequate during the COVID-19 pandemic. The governance of emerging technologies, particularly artificial intelligence, must be established on a multilateral basis that ensures safety, accountability, and equitable access. The principles of common but differentiated responsibilities and respective capabilities must be operationalized across all governance domains to ensure that the burdens and benefits of international cooperation are distributed equitably. The Summit of the Future, scheduled for September 2024, provides a critical opportunity to advance these normative reforms and to establish a renewed social contract for multilateral cooperation.

Fourth, the operational effectiveness of multilateral institutions must be enhanced through innovation, integration, and accountability. The siloed structure of the UN system and the broader multilateral architecture must be reformed to enable cross-sectoral coordination capable of addressing the interconnected challenges identified in this report. Early warning systems, scenario planning capabilities, and rapid response mechanisms must be strengthened across all governance domains. Accountability mechanisms, including independent evaluation, transparency requirements, and stakeholder engagement, must be enhanced to build public trust in multilateral institutions and to ensure that governance commitments are translated into concrete outcomes. Regional organizations must be more effectively integrated into the multilateral governance architecture as partners in implementation, innovation, and accountability.

13.4 A Call to Action

The governance challenges examined in this report are not abstract or distant; they are immediate, concrete, and consequential for the lives and livelihoods of billions of people around the world. The

COVID-19 pandemic demonstrated with devastating clarity what happens when governance systems fail to keep pace with the scale and speed of transboundary threats. The climate emergency continues to escalate, with each year of inadequate governance response locking in more severe and irreversible impacts for future generations. The democratic recession threatens the domestic foundations upon which effective multilateral cooperation ultimately depends. The displacement crisis, with over 110 million people forcibly uprooted from their homes, represents a human cost of governance failure that demands urgent action [17]. These are not problems that any single state, however powerful, can address alone. They require a multilateral system that is fit for purpose, adequately resourced, and politically empowered to act.

The window of opportunity for meaningful governance reform is narrowing. The convergence of crises that defined the analytical period has generated unprecedented political awareness of the need for institutional change, but this awareness has not yet been translated into the sustained political will necessary to overcome the structural obstacles to reform. The Summit of the Future in 2024, the conclusion of the Pandemic Accord negotiations, the establishment of the New Collective Quantified Goal on climate finance, and the next rounds of negotiations on Security Council and IMF reform all represent critical junctures at which the trajectory of multilateral governance will be shaped for the coming decades. The choices made at these junctures will determine whether the governance gap identified in this report is narrowed or allowed to widen further, with profound consequences for the capacity of the international community to manage the challenges ahead.

The call to action issued by this report is directed at all governance actors: governments, international organizations, civil society, the private sector, and citizens. Governments must demonstrate the political courage to support governance reforms that may constrain their short-term discretion in the interest of long-term collective benefit. International organizations must embrace institutional transformation, even when it challenges established procedures and power structures. Civil society must continue to hold governance institutions accountable and to amplify the voices of those most affected by governance failures. The private sector must recognize that its interests are served by effective multilateral governance and must contribute constructively to governance reform processes. And citizens must demand that their governments prioritize multilateral cooperation as a matter of national interest and global responsibility.

The multilateral system is not an end in itself but a means to an end: the provision of global public goods, the management of shared risks, and the advancement of human well-being and dignity for all people. The analysis presented in this report demonstrates that the current multilateral system is falling short of these objectives, but it also demonstrates that the tools and knowledge required to close the governance gap exist. What is needed is the political will to deploy them. The stakes of inaction are too high, the costs of governance failure too severe, and the opportunities of effective multilateral cooperation too great for the international community to accept the status quo. The path forward requires ambition, solidarity, and a shared commitment to building a multilateral system that is equal to the challenges of the twenty-first century. The time for incremental reform has passed; the time for transformational change is now.

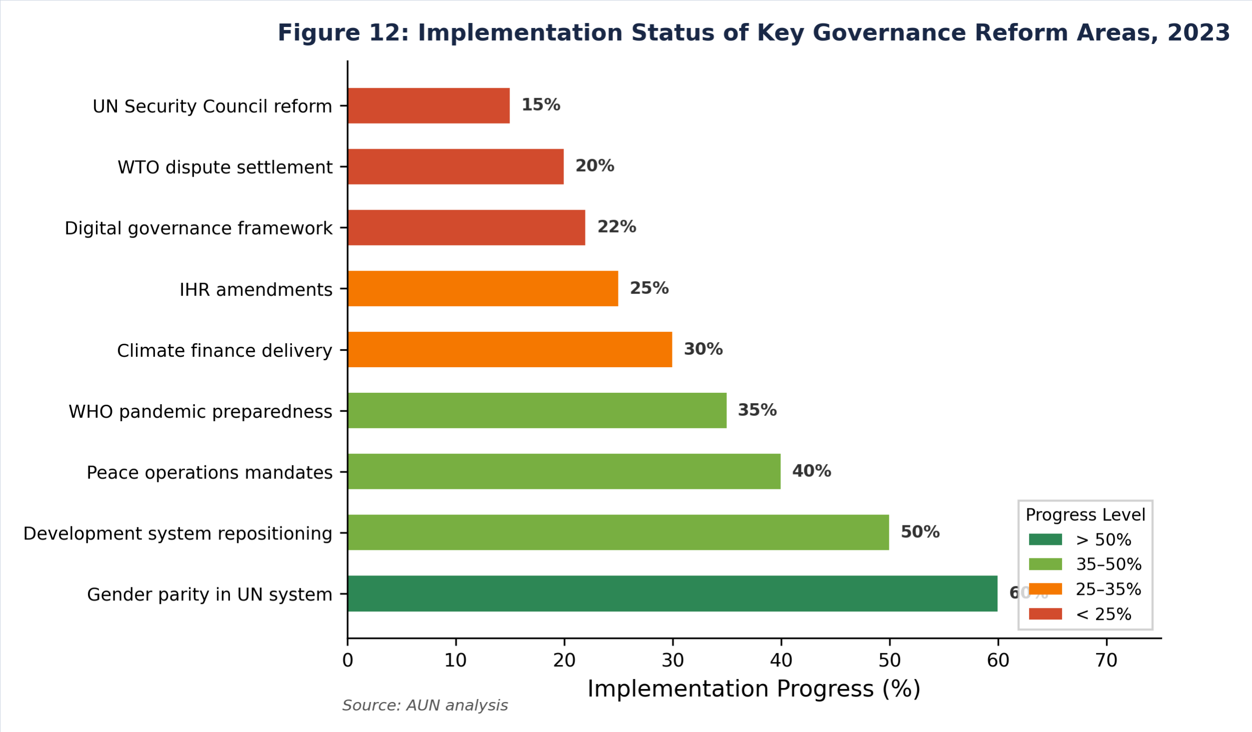

Figure 12: Implementation Status of Key Governance Reform Areas, 2023

Source: AUN analysis based on institutional reporting and qualitative research assessment.

List of Abbreviations

ACT-A Access to COVID-19 Tools Accelerator

ADB Asian Development Bank

AfCFTA African Continental Free Trade Area

AI Artificial Intelligence

AU African Union

BTI Bertelsmann Transformation Index

CCW Convention on Certain Conventional Weapons

CBD Convention on Biological Diversity

CEDAW Convention on the Elimination of All Forms of Discrimination against Women

CFR Council on Foreign Relations

CMA Conference of the Parties serving as the Meeting of the Parties to the Paris Agreement

COP Conference of the Parties

CPI Climate Policy Initiative

CSIS Center for Strategic and International Studies

CTBT Comprehensive Nuclear-Test-Ban Treaty

DGAP German Council on Foreign Relations

EBRD European Bank for Reconstruction and Development

ESG Environmental, Social and Governance

EU European Union

FDI Foreign Direct Investment

FSI Fragile States Index

G7 Group of Seven

G20 Group of Twenty

GAVI Global Alliance for Vaccines and Immunisation

GCF Green Climate Fund

GHG Greenhouse Gas

GNI Gross National Income

GPI Global Peace Index

HLPF High-Level Political Forum

ICC International Criminal Court

ICCPR International Covenant on Civil and Political Rights

ICESCR International Covenant on Economic, Social and Cultural Rights

ICRC International Committee of the Red Cross

ICT Information and Communications Technology

IDP Internally Displaced Person

IEA International Energy Agency

IEP Institute for Economics and Peace

IHR International Health Regulations

ILO International Labour Organization

IMO International Maritime Organization

IMF International Monetary Fund

IPBES Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services

IPCC Intergovernmental Panel on Climate Change

IPU Inter-Parliamentary Union

IOM International Organization for Migration

ITU International Telecommunication Union

LDC Least Developed Country

MDG Millennium Development Goal

MFN Most Favoured Nation

NDC Nationally Determined Contribution

NPT Treaty on the Non-Proliferation of Nuclear Weapons

ODA Official Development Assistance

OCHA Office for the Coordination of Humanitarian Affairs

OECD Organisation for Economic Co-operation and Development

PRIO Peace Research Institute Oslo

R2P Responsibility to Protect

REDD+ Reducing Emissions from Deforestation and Forest Degradation

SDG Sustainable Development Goal

SIDS Small Island Developing State

SIPRI Stockholm International Peace Research Institute

TCFD Task Force on Climate-related Financial Disclosures

TRIPS Trade-Related Aspects of Intellectual Property Rights

UCDP Uppsala Conflict Data Program

UK United Kingdom

UN United Nations

UNAIDS Joint United Nations Programme on HIV/AIDS

UNCLOS United Nations Convention on the Law of the Sea

UNCTAD United Nations Conference on Trade and Development

UNDESA United Nations Department of Economic and Social Affairs

UNDP United Nations Development Programme

UNEP United Nations Environment Programme

UNESCO United Nations Educational, Scientific and Cultural Organization

UNFCCC United Nations Framework Convention on Climate Change

UNGA United Nations General Assembly

UNHCR United Nations High Commissioner for Refugees

UNODC United Nations Office on Drugs and Crime

UNSC United Nations Security Council

UPR Universal Periodic Review

V-Dem Varieties of Democracy

WEF World Economic Forum

WFP World Food Programme

WHO World Health Organization

WGI Worldwide Governance Indicators

WMD Weapons of Mass Destruction

WRI World Resources Institute

WTO World Trade Organization

Annex: AUN-GCI Methodology

Annex: AUN-GCI Methodology

This annex provides a detailed description of the methodology underpinning the Advocacy Unified Network Global Governance Capacity Index (AUN-GCI). The AUN-GCI is a composite analytical framework designed to assess the capacity of the international system to govern across twelve policy domains critical to peace, prosperity, and planetary sustainability. The inaugural edition, published on 15 December 2023, represents the first systematic application of this framework. Users should note that this inaugural edition relies significantly on qualitative research assessment alongside available quantitative indicators, and that the composite domain assessments are interpreted as indicative of relative governance capacity patterns rather than as precise, fully reproducible measurements. Methodological refinement is planned for subsequent editions.

A.1 Framework Dimensions and Indicators

The AUN-GCI is structured around five analytical dimensions that together capture the multifaceted nature of global governance capacity. Each dimension is assigned a fixed weight reflecting its relative importance to the overall assessment. The five dimensions and their weights are as follows: Institutional Architecture (20 percent), Implementation Capacity (30 percent), Normative Coherence (20 percent), Stakeholder Participation (15 percent), and Adaptive Capacity (15 percent).

Institutional Architecture (weight: 20 percent) evaluates the existence, design, and structural adequacy of international institutions, treaties, and regulatory frameworks governing each policy domain. It assesses whether the institutional machinery is fit for purpose and whether mandates are clearly defined and appropriately resourced. For each of the twelve governance domains, this dimension examines treaty ratification status, the existence and mandate scope of relevant international bodies, and the clarity of institutional division of labour. Primary quantitative inputs include treaty participation data from the UN Treaty Collection and institutional membership rosters. Qualitative assessment by the research team evaluates institutional design adequacy and mandate relevance. For Peace and Security, indicators include UNSC voting patterns and peacekeeping mandate scope from SIPRI data. For Climate Change Mitigation, they include UNFCCC party status and NDC submission rates. For Digital and Technology Governance, indicators draw on ITU membership data and treaty adherence records for relevant instruments.

Implementation Capacity (weight: 30 percent) measures the ability of international institutions and their member states to translate commitments and rules into tangible outcomes on the ground. This is the highest-weighted dimension because governance capacity that exists only on paper is of limited value. Indicators include budget execution rates, compliance rates with treaty obligations, programme delivery metrics, and observable outcomes. For each of the twelve domains, this dimension assesses the gap between formal commitments and actual delivery. Data sources include the WGI Government Effectiveness indicator for broad state capacity, WHO programme delivery data for Global Health, OCHA funding and response metrics for Humanitarian Assistance, UNFCCC emissions trajectories for Climate Change, and UCDP/PRIO conflict data for Peace and Security. For Trade and

Investment, WTO dispute settlement activity and tariff compliance data are used alongside UNCTAD investment flow metrics. For Arms Control and Non-Proliferation, SIPRI arms transfer and treaty compliance records serve as primary inputs. For Migration and Displacement, UNHCR operational data on refugee status determination processing times and resettlement delivery rates are used. For Development Finance and Cooperation, OECD ODA disbursement data and multilateral development bank project cycle completion rates provide quantitative grounding. For Human Rights and Rule of Law, the IPU data on parliamentary human rights committee activity and UPR implementation tracking inform implementation assessments.

Normative Coherence (weight: 20 percent) assesses the extent to which international rules, norms, and policy frameworks across different governance domains are mutually supportive rather than contradictory. It examines policy consistency between trade rules and environmental standards, between security commitments and human rights obligations, and between development finance and climate goals, among other cross-domain interactions. Indicators include the alignment of national legislation with international commitments, the degree of policy integration across UN frameworks, and expert assessments of normative tensions. For each of the twelve domains, this dimension evaluates both internal coherence within the domain and external coherence with other governance areas. Key data sources include V-Dem indices for democratic governance quality, Freedom House scores for civil liberties, and OECD policy coherence indicators. The BTI Transformation Index provides additional input on the quality of governance frameworks. For Climate Change Mitigation, normative coherence is assessed through the alignment between NDCs, national energy policies, and trade rules governing clean energy technologies. For Trade and Investment, coherence between WTO rules, regional trade agreements, and environmental or labour standards embedded in preferential trade arrangements is evaluated. For Digital and Technology Governance, the alignment between national AI regulatory frameworks, cross-border data flow rules, and human rights standards on privacy and freedom of expression is examined.

Stakeholder Participation (weight: 15 percent) evaluates the inclusiveness and transparency of governance processes. It measures the degree to which non-state actors, including civil society organisations, the private sector, academic institutions, and local communities, are meaningfully involved in governance deliberations and implementation. For each of the twelve domains, indicators include the existence and functioning of multistakeholder forums, civil society consultation mechanisms, and the transparency of decision-making processes. Data sources include the V-Dem Civil Society Index, Freedom House civil liberties indicators, and qualitative assessment of participation quality. For Environmental Governance and Biodiversity, the CBD multistakeholder engagement framework is assessed alongside the inclusion of indigenous peoples and local communities in national biodiversity strategies. For Digital and Technology Governance, the Internet Governance Forum participation records and ITU multistakeholder consultations are evaluated. For Peace and Security, the participation of civil society in UN peacebuilding processes and the inclusion of women's organisations in security sector reform are examined. For Migration and Displacement, the involvement of refugee-led organisations and diaspora networks in policy formulation is assessed. For Development Finance and Cooperation, the role of civil society in multilateral development bank safeguard policies and country partnership strategies is considered.

Adaptive Capacity (weight: 15 percent) measures the ability of the governance system to respond to emerging challenges, learn from experience, and adjust institutional arrangements in light of new evidence or changing circumstances. For each of the twelve domains, this dimension examines institutional learning mechanisms, reform processes, scenario planning, and the flexibility of legal and policy frameworks. Indicators include the frequency and quality of institutional reviews, the adoption of new instruments in response to emerging threats, and expert assessment of systemic resilience. For Global Health, the IHR review process and post-pandemic reform proposals are assessed. For Climate Change, the UNFCCC Global Stocktake process and NDC update cycles are evaluated. For Digital and Technology Governance, the pace of regulatory adaptation to artificial intelligence and other emerging technologies is examined. For Arms Control and Non-Proliferation, the negotiation of new instruments addressing autonomous weapons systems and the modernisation of existing arms control treaties are evaluated. For Economic Governance and Financial Stability, the speed of institutional response to emerging financial risks and the adaptation of regulatory frameworks to digital currencies and fintech innovations are assessed.

A.2 Scoring Methodology

All AUN-GCI assessments are expressed on a standardised 0 to 100 scale, where 0 represents the complete absence of governance capacity and 100 represents fully effective, coherent, inclusive, and adaptive governance across all dimensions. This scale is chosen for its interpretability and comparability across domains and dimensions.

Quantitative indicators are normalised using the min-max method. For each indicator, the observed minimum value across all assessed entities is assigned a normalised score of 0, and the observed maximum value is assigned a normalised score of 100. Intermediate values are linearly interpolated. The formula is: Normalised Value = (Observed Value - Minimum Value) / (Maximum Value - Minimum Value) multiplied by 100. For indicators where higher values represent worse outcomes (such as conflict fatalities or greenhouse gas emissions), the normalisation is inverted so that better performance yields higher scores.

Qualitative assessment is conducted by the research team, drawing on subject-matter expertise and, where feasible, regional knowledge. The team evaluates each governance domain across the five dimensions using a structured assessment rubric with defined anchor points on the 0 to 100 scale, enabling calibrated judgments. The assessment process is designed to promote consistency, though the inherent subjectivity of qualitative evaluation is acknowledged as a limitation of the inaugural edition.

> **`The composite score for each governance domain is computed using the following aggregation formula: Composite = 0.20 times IA + 0.30 times IC + 0.20 times NC + 0.15 times SP + 0.15 times AC, where IA is Institutional Architecture, IC is Implementation Capacity, NC is Normative Coherence, SP is Stakeholder Participation, and AC is Adaptive Capacity. Within each dimension, where`**

> **`multiple indicators are available, unweighted averaging is applied before the dimension score is entered into the composite formula.`**

Transparency and limitations note: The AUN-GCI in its inaugural edition relies significantly on qualitative research assessment alongside available quantitative indicators. The quantitative dataset covers a portion of the total indicator cells across all dimension-domain combinations; the remainder relies on structured qualitative judgment. Because the inaugural edition is the first systematic application of the framework, the precise quantitative coverage ratio will be refined as the methodology matures. This means that the composite scores presented in this report reflect a hybrid of empirical measurement and structured qualitative evaluation. Full computational reproducibility from publicly available data alone is not achievable in this inaugural edition, given the significant qualitative component. The research team is committed to expanding the quantitative indicator base in subsequent editions. Users are advised to interpret domain-level comparative assessments as indicative of relative governance capacity patterns rather than as precise, fully reproducible measurements. The qualitative research assessments, while conducted under structured protocols, inherently involve subjective judgment.

A.3 Data Sources and Limitations

The AUN-GCI draws on a wide range of primary data sources. The following are the principal quantitative datasets used in this edition, along with their most recent publication dates as of the preparation of this report:

Worldwide Governance Indicators (WGI), World Bank, 2022 edition, published September 2023, covering the period 1996-2022.

Varieties of Democracy (V-Dem) Dataset v.13, University of Gothenburg, published March 2023, covering the period 1789-2022.

Freedom in the World, Freedom House, published March 2023, covering calendar year 2022.

Freedom on the Net, Freedom House, published October 2023, covering May 2022 through May 2023.

SIPRI Yearbook 2023, Stockholm International Peace Research Institute, published June 2023, covering data through early 2023.

UCDP/PRIO Armed Conflict Dataset v.23.1, Uppsala University, published June 2023, covering conflicts through 2022.

Global Peace Index 2023, Institute for Economics and Peace, published June 2023, covering data through March 2023.

Fragile States Index 2023, Fund for Peace, published May 2023, covering calendar year 2022.

BTI 2022 Transformation Index, Bertelsmann Stiftung, published 2022, covering the period February 2021 through January 2022.

World Energy Outlook 2023 and Renewables 2023, International Energy Agency, published October 2023.

Measuring Digital Development: Facts and Figures 2023, International Telecommunication Union, published November 2023.

World Trade Statistical Review 2023, World Trade Organization, published July 2023.

World Investment Report 2023, UNCTAD, published June 2023.

Review of Maritime Transport 2023, UNCTAD, published November 2023.

World Health Statistics 2023, WHO, published May 2023.

Global Trends: Forced Displacement in 2022, UNHCR, published June 2023.

Global Humanitarian Overview 2024, OCHA, published December 2023.

NDC Synthesis Report 2023, UNFCCC, published November 2023.

Global Landscape of Climate Finance 2023, Climate Policy Initiative, published November 2023.

Development Co-operation Report 2023, OECD, published 2023.

Climate Finance Provided and Mobilised by Developed Countries in 2019-2020, OECD, published 2022.

World Public Sector Report 2023, UN DESA, published 2023.

Global Study on Homicide 2023, UNODC, published 2023.

Asian Economic Integration Report 2023, Asian Development Bank, published November 2023.

Transition Report 2023-24, European Bank for Reconstruction and Development, published November 2023.

Adaptation Gap Report 2023, UNEP, published November 2023.

The principal analytical period for this edition of the AUN-GCI is January 2020 through November 2023. Quantitative normalisation is primarily based on the most recent internationally comparable data available, predominantly covering 2020-2022. Selected developments from 2023 have been incorporated where verified data were available prior to the publication cutoff of 15 December 2023. These include the UNFCCC Global Stocktake decision from COP28 (13 December 2023), the IMF Executive Board conclusion on the 16th General Review of Quotas (7 November 2023), and the IMF

Board of Governors' approval of the quota increase (15 December 2023). The incorporation of same-day developments is noted in the relevant sections of this report.

Several limitations should be noted. First, data availability varies significantly across governance domains. Domains such as Economic Governance, Trade, and Health benefit from relatively well-developed international statistical systems, while domains such as Digital and Technology Governance and Environmental Governance face greater data gaps, particularly for developing countries and for transnational governance processes that do not produce standardised metrics. Second, time lags in international data collection mean that even the most recent quantitative datasets typically reflect conditions from one to two years prior to the report's publication date. Third, qualitative assessments, while conducted under structured protocols, are inherently subjective. The research team, though drawing on diverse perspectives and regional knowledge, may not fully capture all relevant viewpoints, particularly those of underrepresented communities in global south countries. Fourth, the equal weighting of indicators within each dimension is a simplifying assumption; future editions may introduce differential indicator weights informed by statistical analysis or expert elicitation. Fifth, the min-max normalisation method is sensitive to outlier values, which can compress the distribution of normalised scores in domains with extreme performers. Sixth, the framework assesses governance capacity at the international system level and does not capture sub-national or local governance dynamics, which are critical for implementation but fall outside the scope of this assessment. Seventh, language barriers and documentation accessibility may limit the comprehensiveness of qualitative assessments for governance domains where significant deliberation occurs in languages other than English, French, or Arabic.

The research team welcomes feedback on the methodology and invites submissions of additional data sources that may enhance future editions of the AUN-GCI.

AUN-GCI Governance Domain Taxonomy

No.	Governance Domain	Principal Coverage in Report
1	Peace and Security	Chapter 4
2	Humanitarian Assistance and Protection	Chapter 5
3	Economic Governance and Financial Stability	Chapter 6
4	Trade and Investment	Chapter 7
5	Climate Change Mitigation	Chapter 8

6	Environmental Governance and Biodiversity	Chapter 8
7	Global Health	Chapter 10
8	Human Rights and Rule of Law	Chapters 4, 5, 11
9	Digital and Technology Governance	Chapter 9
10	Migration and Displacement	Chapters 5, 6
11	Development Finance and Cooperation	Chapters 6, 12
12	Arms Control and Non-Proliferation	Chapter 4

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