

Statement at Forum on Financing for Development meeting: Financing a Sustainable Recovery from COVID-19

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I speak on behalf of the Women's Working Group on FfD and the Civil Society FfD Group.

Time for rhetoric is over. We need action. Because right now: women are upholding the entire economy while people are dying by the thousands: the poorest, the black population and the indigenous peoples, those with informal jobs and without universal protection floors, the migrants, the elder population, the people with disability. This is the time. For the UN. To promote again a global transformation, as it did 75 years ago.

We therefore call for an **International Economic Reconstruction and Systemic Reform Summit under the auspices of the UN** and call on member states to agree on such a summit at the UN General Assembly.

For a comprehensive response, we propose:

1. To mainstream human rights, gender equality and environmental integrity. Current inequalities are based on an extractivist system linked to a North-South colonial dynamic that survive up to this day out of sexist, racist, and discriminatory structures. This must stop by means of systemic measures while heading towards decarbonization;
2. To scale up the current debt relief available to countries in need, covering up to 2021 at least; official creditors must lead the way in offering permanent cancellation in lieu of suspension, particularly as private creditors are demonstrating their unwillingness to provide necessary relief. The cost of cancellation of official claims for the world's poorest countries is estimated at around 30bn USD, which pales into comparison to the 8tn USD of liquidity pumped into the global economy by richer nations. In addition, countries must promote and support legal protections, especially in the UK and New York, for sovereign borrowers that suspend payments;
3. Increased support for all developing countries in need, with a boosting of resources for debt relief and non-debt creating emergency financing. Country income level is not the only determinant of vulnerability: many countries face acute vulnerabilities linked to climate, tourism shortfalls, and tightened financing conditions, for example. Parallel to that, progress must be made on a new and large issuance of SDRs (3tn) to boost liquidity in especially Middle-Income Countries. We must warn that debt-creating crisis support followed by austerity cannot be the roadmap for developing countries. Austerity-driven cuts to public service budgets have negative impacts particularly to women as less access to public services has also meant an increase in unpaid domestic and care work carried out by women as they assume responsibilities, such as care for the sick or elderly;
4. Action on Beijing PoA, the Paris accords and Agenda 2030 cannot be sidelined by the Covid-19 response. Emergency measures must support longer-term developing country debt sustainability to deliver on these agendas, and build countries' resilience to withstand similar shocks in the future.

The UN should seek to ensure that post-Covid19 debt relief and restructurings considers long term financing needs for SDGs, climate, human rights, and gender equality commitments when assessing debt sustainability. The UN must also take the lead to move towards systematic debt restructuring, including agreement on a multilateral sovereign debt workout mechanism;

5. Under the circumstances, governments, especially from developing and least developed countries, should retain maximum policy flexibility in their trade and investment policies so that they are free to develop their economic policies in the immediate future based on their development needs. This means: no negotiations or signing of any binding trade and investment agreements including at the WTO, a moratorium on Investor-State-Dispute-Settlement (ISDS) cases, and non-implementation or violation of current trade and investment commitments, including Intellectual property rights rules through the TRIPS and TRIPS plus agreements, if these conflict with public policy objectives including economic and health objectives, during the pandemic. The current trade and investment framework has played a major role both in intensifying this crisis and in constraining governments from responding adequately to it. Speculation in commodities markets has indebted many governments and loss of tariff revenue through forced liberalisation has made resources scarce. Heavy import dependence for critical goods and services; policy constraints on how they want to export and import goods, services and capital even in a crisis; constraints on access to medicines (including vaccines) and medical instruments through profit-driven intellectual property regimes; and constraints on public policy objectives through investment protection commitments are some of these factors;
6. Corporate tax abuse, and other forms of illicit financial flows, obstruct redistribution and drain resources that are crucial to challenging inequalities, particularly gender inequality. It is time to back a truly universal, intergovernmental process at the UN to comprehensively address tax havens and illicit financial flows, including tax avoidance by multinational corporations. In the current global dynamics, tax havens are refraining the maximum amount of resources to be spent in developing countries to ensure women's human rights;
7. A Global Fund for Universal Social Protection to support the most vulnerable countries in responding to the pandemic;
8. A global ban on short selling among all markets and increase regulation/surveillance of high-frequency trading, along with a global agreement on the importance of capital account management to prevent capital flight, limit speculative trading and arrest declines in currency and asset prices;
9. Call on DAC members to immediately reverse the decline in ODA as a share of GNI, fulfil and where possible exceed the 0.7% target for ODA in the form of unconditional grants and technical support.

Let me underscore, this meeting is happening in the context of uprisings and repression of legitimate demonstrations at the city of the UN headquarters in New York and in cities across the US, not only due to racial tension but also to increased poverties and inequalities leading to social unrest. It is incumbent on us and the UN to respond to the signs of the times as it did 75 years ago. The time to act is now.

#BlackLivesMatter #StopFascism