

Statement
By
Mr. Navid Hanif, Director of Financing for Sustainable Development Office,
at the second video conference of the FACTI Panel
WebEx meeting,
25 June 2020, New York

Co-chairs,
Distinguished members of the FACTI Panel,
Colleagues,
On behalf of the secretariat, I have the honour to welcome you to the second meeting of the FACTI Panel.

Thank you, Co-Chairs for your thoughtful and incisive opening statements.

I would like to cover three issues in my statement.

First, the rapidly evolving context. I want to begin with 2019. It was the year the corporate sector started to think seriously about prioritising values over value. The talk of ditching the “shareholder first” creed and moving to stakeholder credo was becoming louder and louder.

We witnessed greater commitment both in the public and the private sector to ensure that no one is left behind (NOLB), which is at the heart of the 2030 Agenda.

We began 2020 by launching the Decade of Action to achieve the Sustainable Development Goals (SDGs) by 2030. In January, the Presidents of General Assembly and ECOSOC announced the establishment of the FACTI Panel with the primary objective of contributing to the financing of the SDGs.

But then came the shock of COVID-19. The pandemic has shaken the fabric of our societies. We see massive socio-economic disruptions coming our way.

According to the update issued by the IMF yesterday, the global growth is projected at -4.9 % which is 1.9 % below the April forecast. The recovery is expected to be more gradual than previously forecast.

Up to half of the global workforce is at risk of losing jobs. Poverty and hunger will increase. Inequality will rise. These challenges coupled with climate change could derail our progress towards the SDGs. We cannot afford this derailment.

These are indeed extraordinary times demanding exceptional measures. We cannot rely on band aid solutions.

The question is what would those measures be? How can the FACTI Panel be part of those actions?

I would like to share with you what the UN Secretary-General has done so far.

He has presented bold proposals to manage the socio-economic impact of COVID-19. He has given special attention to the financing of the SDGs.

On 28 May, the UN Secretary-General, and the Prime Ministers of Canada and Jamaica jointly convened a high-level event on financing for development during COVID 19 and beyond. Fifty Heads of State and Government and the leaders of the IMF, the World Bank and other institutions joined the largest gathering of leaders since the pandemic began.

They put forward six areas for urgent action to mobilize the financing needed for the response and recovery built around the SDGs. These areas include liquidity, financial stability, debt vulnerability and “stemming illicit financial flows.” But above all building back better.

The FACTI Panel can use the momentum of this high-level political engagement by injecting its ideas and thinking in the follow-up discussions. Norway and Nigeria have been invited to steer the discussion group for developing concrete actions to combat illicit financial flows. The FACTI Secretariat will establish channels of communication for cross fertilization of ideas.

We had not foreseen such gatherings and follow-up actions. The situation is rapidly changing and we recommend that the Panel’s overall approach should be nimble and flexible. As various global initiatives progress or stall, they may open up space for the Panel to advance its ideas. It should also be ready to deal with uncertainty and unpredictability of the global political economy.

This brings me to the second part of my statement. The unpredictability of the situation also poses a great logistical challenge to the Panel’s work. It is hard for us to have firm plans in place. We need to retain flexibility in our timeline and methods of work. We will regularly update you as we adapt to the changing circumstances.

The Panel’s work is almost at the midpoint. Six months remain to deliver on the Panel’s ambitious agenda. However, the interim report will be published during the opening week of UN General Assembly, which is around the third week of September. Even though we will have a meeting in early September to go over the draft of the report before it is launched, your deliberations during this meeting will largely shape the draft.

The third part of my statement is just to refresh the agreements reached by the Panel, which have guided the work of the Secretariat. The criteria agreed for developing proposals include: (1) focusing on releasing resources for financing the Sustainable Development Goals; (2) ensuring proposals are technically feasible; and (3) developing recommendations that are politically viable.

The Panel also agreed that it would present proposals with clear time horizons ranging from short, medium to long term actions. By doing so, you will help Member States in not only prioritizing actions for immediate impact but also to keep the momentum behind ideas requiring long term commitment.

Co-Chairs and members of the Panel,

There is no doubt that COVID-19 has posed serious challenges to our work. But it has also opened new opportunities by strengthening demand for greater transparency. The demand for change is very high. We cannot go back to the old normal because it neither worked for the people nor for the planet.

The FACTI Panel can play its part in creating the new normal. A post COVID-19 future in which financial accountability, transparency and integrity are at the centre of the new social contract. I wish the Panel a highly successful meeting.

Thank you.