

Input of Plataforma Portuguesa das ONGD on the framework of the drafting process of an elements paper towards FfD4

Plataforma Portuguesa das ONGD acknowledges the opportunity to contribute to the drafting process of an elements paper towards FfD4. Plataforma's inputs are based on internal discussions involving many of its Development NGO members, as well as on inputs from partner Civil Society Organisations working at both EU and global levels ([CONCORD Europe](#), [Eurodad](#), [Forus International](#)).

Plataforma's input is thus the outcome of wide discussions, and showcases the importance of meaningfully involving Civil Society beyond the preliminary phase of discussions for the elements paper. Plataforma remains available to participate in further discussions, as well as to mobilize members and partners.

1 - What are the key policy reforms for which FFD4 should deliver results?

The 4th International Conference on Financing for Development (FfD4) takes place at a critical moment for accelerating the implementation of the 2030 Agenda. To ensure the achievement of the Sustainable Development Goals (SDGs), it is necessary to secure adequate financing and ensure the quality and effectiveness of development finance. Hence, it is key that FfD4 starts by highlighting donor countries' commitment to achieve the target of 0.7% of ODA/GNI to partner countries and 0.15% to 0.20% of ODA/GNI to least developed countries.

To enhance effectiveness, FfD4 should contribute to the establishment of a process aimed at reviewing the methodology for reporting ODA flows adopted by the OECD DAC, that allows for a more inclusive and fair governance of these flows. Current OECD reporting standards are diverting ODA from its core purpose and where it is needed most. These standards enable OECD DAC members to cast a wide net to define ODA. As a result, funds are increasingly being channeled away from genuine efforts to support partner countries.

It is thus necessary to ensure that amounts that do not contribute to the development of partner countries are not reported by donors as ODA, who are currently allowed to count In-Donor Refugee Costs (IDRC), imputed student costs, debt cancellation, and the double-counting of loans, as ODA.

According to the latest [Aid Watch report from CONCORD Europe](#), the overall reporting of such items accounted for more than 22% of the total ODA reported by the EU and its Member States in 2022. To make sure that reported ODA flows are consistent with partner country needs, FfD4 should aim at deepening OECD-DAC/UN dialogue, seeking to build momentum towards the establishment of an agreed methodology between donor and recipient countries. This process should consider the need to preserve the integrity of ODA as a concessional instrument aimed at poverty eradication and tackling inequalities that takes into account the interests of recipient countries – often unaccounted for in decisions made by OECD member-countries. In order to do that, it is key that FfD4 paves the way for the establishment of the UN as the main governance body of ODA.

In a context of multiple interconnected crises, it is key to concentrate efforts on strengthening capacities and resilience in the most fragile and vulnerable countries, particularly through the implementation of ambitious and long-term programs focused on conflict and crises prevention and disaster preparedness.

To sum up, FfD4 should aim at improving the contribution of ODA to the economic development and welfare of developing countries, especially by:

- Adopting a funding target for gender equality that directs ODA to gender mainstreaming and programmes with gender-targeted actions and groups identified as the most marginalized;
- Making climate finance additional and delivering it by grants instead of loans;
- Enhancing the transparency in reporting private sector instruments so that concessionality can be properly assessed;
- Continuing progress to untie aid commitments to ensure all ODA is untied.

The pursuit of traditional ODA goals and cooperation policies should serve as a guiding principle for FfD4 discussions as a whole, acknowledging that achieving the 2030 Agenda will require mobilizing financial resources beyond ODA. It is thus key that FfD4 provides guidance around issues such as the mandates of international financial institutions and multilateral development banks, as well as:

- The establishment of a UN Tax Convention: FfD4 must ensure that the ongoing negotiations are primarily concerned with achieving global tax justice that allows developing countries important sources of revenue to fund country programmes in key sectors for sustainable development;
- Addressing the debt issue: Agree on the creation of a UN Framework convention on sovereign debt, including the establishment of a multilateral mechanism for debt restructuring at the UN level, including all creditors;

FfD4 presents a great opportunity for countries to come together and make decisions on the aspects mentioned above, making sure that discussions are based on the need to find solutions that promote sustainable development and are focused on the needs identified by ODA recipient countries.

2 - How can FFD4 strengthen the follow-up process, ensuring accountability and full implementation of the commitments adopted?

The success of FfD4 cannot be measured by the commitments adopted alone but, above all, by the consistency of the follow-up mechanisms and accountability procedures that are expected to be agreed upon. The repeated incapacity of donor countries to reach the 0.7% GNI/ODA target showcases the importance of linking FfD4 discussions with the creation of a monitoring framework, as well as transparency and accountability mechanisms, aimed at deepening the democratic governance of development finance flows.

To achieve this, it is crucial that Civil Society Organisations are meaningfully involved in monitoring the implementation of FfD4 decisions through the establishment of a multi-stakeholder mechanism that allows for ongoing dialogue among all stakeholders.

It is also key that CSOs are involved in the implementation of decisions adopted by FfD4. This is especially relevant in areas such as the ones mentioned in the previous response, particularly in the reform of ODA reporting methodologies.

The establishment of a multi-stakeholder mechanism is especially relevant in the framework of growing civic space restrictions across all regions. Such a mechanism must be focused on ensuring inclusive and meaningful participation. To do that, FfD4 must make sure that the commitments adopted are followed by a monitoring framework with specific indicators that allow for a detailed tracking of the progress made. Providing a pathway to regularly and consistently evaluate the progress in implementing the commitments should be at the core of FfD4 discussions.

In order to ensure that the follow-up process of monitoring commitments is reliable, transparency must be enhanced through the provision of quantity (in terms of diversity and scope) and quality data, granular information on financial flows channeled to partner countries that allows in-depth analysis, informed decision-making, and can be used for the advocacy work of CSOs. This is critical to ensure accountability, as well as to enable better coordination among all stakeholders.