



**CIVIL SOCIETY  
FINANCING FOR  
DEVELOPMENT**  
Mechanism

**Third Preparatory Committee (PrepCom) for the Fourth International Conference  
on Financing for Development (FfD4), NY, 10-14 February, 2025**

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**Matti Kohonen, Financial Transparency Coalition (FTC) on behalf of the CS FfD  
Mechanism Intervention delivered at the International Development Cooperation  
segment**

Thank you, Chair. I'm Matti Kohonen and I speak on behalf of the Financial Transparency Coalition and Civil Society FfD Mechanism. We have surpassed six out of nine planetary boundaries and the FfD process must match the scale of the ecological crisis posing an urgent and existential challenge for global South countries. We appreciate that climate and environment issues are mentioned as cross-cutting issues, recognizing climate financing as understood in the context of the UNFCCC, and retaining a clear separation and transparency between development and climate financing.

On climate finance, it is important to strengthen the funds that operate under the UNFCCC, scaling up non-debt-creating public finance that is gender transformative to reach the trillions needed, and to increase funding to adaptation in the loss and damage fund. The FFD outcome should ensure greater ambition than the result in the new collective quantified goal on climate finance.

In 39 paragraph, we seek wider alignment of the global financial framework that needs to be human rights centered, decolonial, anti-racist, feminist, and development oriented. And must recognize the historical responsibilities of developed countries in generating the ecological crisis. The principle of common but differentiated responsibilities needs to be included when referring to these issues across the text. We recommend incorporating a just and equitable transition and addressing the roots of the problem through systemic transformations of global financial framework. And some examples of that are that we have suggestions made to the text emphasizing that biodiversity and ecological integrity are fundamental to the systems underpinning life and good quality of life. And many of these systems are now at risk, especially due to extractive activities such as mining, hydrocarbon exploitation and agribusiness expansion

under the current unfair and neocolonial international trade and economic system. The entire process of extraction, circulation, production and consumption of waste needs to be regulated under sustainability principles.

Member states should commit to pursue financial transparency measures to address these, which which would be to provide public access to global asset registries and public access to beneficial ownership registries of companies to curb illicit financial flows in sectors such as minerals, fisheries and logging related to biodiversity and environment. and restoring nature and ecosystems, including ocean preservation that especially targets locally driven initiatives and benefits local communities rather than ineffective credits. International public finance from developed countries should be mobilized in recognition of their ecological debt with the people and the planet instead of promoting market-based solutions deepening financialization by the business. Furthermore, ISDS and credit rating agencies should be thoroughly addressed so that they don't operate against environmental and climate standards. Tax systems must reflect the cost of pollution in a progressive way, as environmental and climate-related taxes should not be borne by those least responsible for climate change. This means not only focusing on largely regressive carbon pricing, carbon taxes and regressive climate taxes, as mentioned in the zero graph, but more widely focus on corporate tax reform and taxing high net worth individuals, including differentiation on polluter-based principles. At a more systemic level, we support the UN Tax Convention as a means of achieving these aims and objectives. On the debt architecture, we recognise ecological debt toward global south countries and heavily developed countries and climate protected countries in need of immediate debt relief to access without conditionalities. The debt for nature swaps are not adequate in this respect, neither are insurance schemes. This should also include private creditors in the debt relief measures and debt cancellation, increasingly responsible for the debt crisis. Finally, civil society insists that the FfD4 negotiations cannot happen behind closed doors. We expect that by the end of this week. We expect that by the end of this week. Thank you.