

Intervention delivered at the Ministerial scene-setter: “What are the key financing policy reforms and solutions that the fourth International Conference on Financing for Development should deliver?”

3 December 2024

Good morning Excellencies, Member States representatives and colleagues. I'm María José Romero, from the European Network on Debt and Development (Eurodad) and the Civil Society FfD Mechanism. Thanks for the opportunity of addressing this room.

What is at stake is the ability of the international community to transform a global system that is actually not working for people and the planet. As was mentioned earlier, next year we will be 5 years away from reaching the 2030 milestone, and the world is still facing multiple crisis – debt, inequalities, the climate crisis. This is an historical opportunity – FFD4 should be about systemic reforms to correct historical imbalances.

The reaction of the Civil Society FfD Mechanism to the elements paper argues that the document misses concrete proposals to establish UN intergovernmental processes, legal frameworks, norms and standards on financing for development. Nice words do not help unless there are concrete actionable intergovernmental processes to turn them into concrete progress.

Three key remarks:

Firstly, FfD4 should agree on broadening the normative role of the UN in Development Co-operation, agreeing on a UN Convention on International Development Co-operation. We are encouraged by the inclusion of a section entitled "Reform the Global Architecture". Yet, the proposals under this heading do not match its ambition, they restate the status quo, which is not democratic, weak on representation, and outdated. There are welcome references in this section of the elements paper, but they should be operationalized through the aforementioned UN Convention. FfD4 should not restate unmet commitments on official development assistance.

Secondly, there is a need to rethink and transform the international financial architecture for development. Specifically, there is a need to agree on a UN intergovernmental process to address the whole ecosystem of institutions to better cater for the needs of financing, on the basis of an agenda focused on socio/economic transformation, the fight against inequalities, and the Right to

Development. FfD4 should be a place to reclaim the role of the UN as global norm setter on global economic governance. FfD4 should not endorse decisions taken by a small group of countries elsewhere.

Thirdly, the section on private finance is very weak, as it does not reflect the need for a transformative approach. The proposals show an overreliance on private capital mobilisation, which deepens existing strategies that have not delivered on commitments made in 2015. As we know by now, millions in public finance won't deliver the trillions needed for development and climate goals, and private finance will not deliver for the least developed countries. There is a need to restore state capacity to regulate in the public interest and FfD4 should provide the right framework and processes for that. The Elements Paper includes a reference to a global regulatory framework for the asset management industry. FfD4 should go one step further, establishing a UN global regulatory framework to adequately regulate and supervise the asset management industry. FfD4 should not further elevate the power of private investors.

Civil social remains open and keen on actively engaging in this process. Thank you very much for your attention.