

FfD Consultations (May 11-15) – CSO intervention on Int. Public Finance, Trade & Debt

Statement delivered by Mr. Abid Aslam, UN Adviser, ActionAid International

Thank you, Mr. Co-Facilitator. I'm Abid Aslam with ActionAid International and I convey to you the views of diverse civil society organizations on three areas discussed, namely international public finance, trade, and debt. We will be brief as it's lunch time we take the right to food very seriously.

On International Public Finance, we start with a simple call to scrutinize ODA to ensure it is consistent with aid effectiveness principles and adds real value when diverted from its primary objectives of poverty reduction and sustainable development. Moreover, in assessing ODA's catalytic role, it is necessary to ensure effective regulatory and safeguard policies that enhance sustainability and protect the environment and human rights, including women's rights.

With respect to climate finance, we reiterate that international climate financing must be new and additional to ODA. To make sure of this, we suggest the establishment of an expert technical group to develop and present options for a coherent framework that accounts for ODA and climate finance in a transparent manner.

On innovative finance, we suggest the inclusion of some listed instruments, in particular the financial transactions tax, which, in addition to raising billions of dollars annually, could provide states with information and means with which to combat illicit financial flows and tax evasion as well as address systemic risks.

With respect to the multilateral or international development banks, we are concerned that calls to alleviate internal constraints will result in a dilution of safeguards. Perhaps this is not the intention but it would be helpful to see an unambiguous call to strengthen safeguards, to ensure public participation and transparency in project selection and monitoring, and to ensure that projects are of appropriate scale to address the needs of the poorest and marginalized communities. In this connection, we are concerned with the endorsement of new and untested vehicles, such as the Global Infrastructure Facility.

On multi-stakeholder partnerships, it seems to us essential for such partnerships to follow clear eligibility criteria to prevent the entry of specific private actors unfit for purpose and those with a history of abuses or violations in the areas of human rights, the environment, labour, corruption or tax avoidance or evasion. Furthermore, these partnerships should include protections against conflicts of interest.

Turning briefly to trade, we agree that it can contribute to sustainable development - only if it is rights-based, equitable and consistent with sustainable industrial policy. We believe that trade agreements should guarantee respect of human rights, including women's rights, core labour standards and environmental integrity. We have heard several voices oppose sustainability assessments. This seems curious since these same voices also assert that their objective is to finance sustainable development. We would go further, and urge that these assessments also incorporate human rights, environmental and labour standards and a global corporate tax floor to prevent a regulatory 'race to the bottom'.

Next, while it is true that developing countries' share of world exports has increased, this is largely as a result of increases in commodity prices rather than improvements in volume or value-added productive capacity. These countries must be allowed flexibility to develop domestic industry and diversification, including when acceding to the WTO.

Lastly on trade, we urge that trade and investment agreements not include investor-state dispute settlement provisions that undermine governments' ability to fulfil their human rights obligations and pursue sustainable, equitable development.

Finally and quickly on debt, Mr. Co-Facilitator, we urge specific reference to the progress being made on workout mechanisms in the UN General Assembly, alongside references to progress in other processes. We also submit that the UNCTAD principles on responsible lending and borrowing can save a great deal of money at no cost, and therefore we urge that the Addis accord endorse them and establish a monitoring and accountability process to aid in their implementation.

Thank you.