

Women's Working Group on Financing for Development¹
REACTION TO THE 7 OF JULY DRAFT ADDIS ACTION AGENDA AND KEY MESSAGES
July 2015

The Women's Working Group on Financing for Development (WWG on FfD) would like to highlight key concerns regarding the Addis Ababa Action Agenda (AAAA) that is currently under negotiation and is expected to be finally adopted during the Third Financing for Development Conference in Addis Ababa taking place from 13 to 16 of July 2015.

We believe that the latest set of negotiations has seriously reduced the integrity of the Financing for Development agenda, can result in a retrogression from previous FfD commitments and, thus, limit the possibility to remove the global obstacles to development as well as setting the right priorities, policies and rules for financing the Sustainable Development Goals/Post 2015 Development Agenda and the full implementation of internationally agreed development agendas, including those critical for women's rights such as the Beijing Platform for Action and the Cairo Programme of Action on Population and Development.

The global partnership between developed and developing countries established in the Monterrey Consensus is at risk of being weakened by the way multi-stakeholder partnerships are getting promoted, and the lack of commitment by developed countries to address systemic issues in the United Nations (UN), to recognize and respect the principle of Common But Differentiated Responsibilities (CBDR) and to strengthen the FfD follow up mechanism. While the draft Action Agenda, importantly, includes in the first paragraph a commitment to respect all human rights, including the right to development, and that member states will ensure gender equality and women's and girls' empowerment, the draft lacks an integrated, consistent and explicit human rights based approach. The references to women's rights and gender equality in the current text rely on previously agreed language, some consolidate regressive formulations and others rely heavily on private sector contribution to achieving gender equality.

The WWG on FfD calls government's attention on the following key issues at stake and continues to demand for structural changes in the global economic governance and development architecture in order to move:

1. From systemic imbalances towards creating a rights-based pro-development multilateral economic and financial governance.
2. From making the business case on women's empowerment to respecting, protecting and fulfilling women's human rights and fixing the structural conditions to realize them.
3. From creating an enabling environment to attract Foreign Direct Investment (FDI) and to promote Public-Private Partnerships (PPP) towards safeguards and

¹ For more about the WWG on FfD: <http://wwgonffd.org/> The WWG is part of the broader Civil Society FfD community and actively contributes to the common positions. This reaction further elaborates on the joint position, key issues at stake for women's rights and gender justice. For more information on the wider CSO FfD group please visit: <https://csoforffd.wordpress.com>

investment frameworks that have binding norms, including for Transnational Corporations, that are consistent with human rights.

4. From global trade imbalances to respect developing countries policy space for productive diversification, decent work for women, and sustainable industrial policy.
5. From taxing women in the informal economy to progressive taxation and international tax cooperation.
6. From using Official Development Assistance (ODA) and development cooperation to leveraging private finance and donor priorities towards untied, additional and predictable ODA and development cooperation that contributes to the respect, protection and fulfilment of gender equality, human rights and sustainable development.
7. From “new social compacts” towards the implementation of comprehensive and universal social protection systems and public services
8. From reducing FfD agenda to the Means of Implementation of the Post 2015 Agenda, towards strengthening FfD mandate and follow up mechanism to remove global obstacles for the implementation of all the internationally agreed development agendas

From systemic imbalances towards creating a rights-based pro-development multilateral economic and financial governance

The current Addis Ababa Action Agenda draft does not adequately address the failures of the systemic issues in the international financial and monetary system that underpin poverty, inequalities, asymmetries and mal-distribution of power and resources in the global political economy. The systemic issues we face today are symptomatic of the financialization of economies and nature, where the financial sector has become increasingly important in the generation of profits and more powerful in economic governance. At the bottom, a majority of women must bear the burdens of care work amidst market and state failures.

The enormous, negative impacts of crises caused by the international economic and financial rules, on development, social justice and human rights, particularly women’s human rights, are not adequately addressed. The necessary countercyclical and social policies to respect women’s human rights and to avoid transferring the costs deriving from austerity measures, privatization, cuts in cash transfers and social services, food and job insecurity to women through further increases in their unpaid work are not even mentioned. Thus, governments are relying on women's unpaid care work to continue to act as a stabilizer and shock absorber of the economic and financial crisis. We are deeply concerned that the draft Addis Action Agenda falls short in providing alternatives to the status quo.

Governments are still failing to provide sufficient political leadership to strengthen the role of the UN to lead the necessary human rights-based, pro-development reforms of the global economic and financial systems. The recommendations and commitments of the outcome of the Conference of the World Financial and Economic Crisis and its impacts on Development should have been the foundation of the Addis Action Agenda not only to prevent future multiple crises but to revert the financialization process that is leading to greater global inequality, instability and prevents the reorientation of finance to sustainable and equitable development sectors.

For instance, the International Monetary Fund (IMF) need not be promoted as the permanent international safety net. The Addis Action Agenda must welcome instead all independent and autonomous efforts at providing liquidity arrangements that benefit systemically insignificant, open economies whose currencies are not necessarily preferred for use in international payments nor for reserves purposes. While dialogue may be encouraged between the IMF and other regional or bilateral liquidity arrangements, rule-setting must not be exclusively set by the IMF. The Special Drawing Rights carry high potential as a reserve asset and this potential to benefit small open economies must be explored fully.

Only by ensuring full and equal representation of developing countries in in setting the global rules on finance, macroeconomic, trade, investment, debt and tax policies the trend of transferring resources from developing countries to developed countries can be reversed. Addressing systemic issues at the UN is a precondition for the achievement of the SDGs, the realization of the Post-2015 agenda and the full implementation of internationally agreed development agendas, including those critical for women's rights such as the Beijing Platform for Action and the Cairo Programme of Action on Population and Development.

From making the business case on women's empowerment to respecting, protecting and fulfilling women's human rights and fixing the structural conditions to realize them.

In paragraph 6 of the preliminary section, the Addis Action Agenda "reiterate[s] the need for gender mainstreaming, including targeted actions and investments in the formulation and implementation of all financial, economic, environmental and social policies." In the year of Beijing+20, reiterating the need is not enough. Moreover, while the Doha Declaration called for gender mainstreaming in development policies, including financing for development policies (Para 4, Doha Declaration), the draft Action Agenda is shifting this understanding. While it expands the scope from FfD policies towards environmental and social policies it, negatively, drops the development policies reference and refers to "investments" instead of "dedicated resources".

Moreover, the Addis draft reaffirms language agreed in Rio+20 (Para 240, Future we want) where governments state that "We are committed to women's and girls' equal rights and opportunities in political and economic decision-making and resource allocation". However, specific mention of commitment to resource allocation should be linked to the realization of women's human rights and advance gender equality otherwise it is not clear to which purpose the resources will be allocated. Dedicated, "adequate and sufficient" resource allocation for gender equality and women's human rights should be guaranteed, including by international public finance.

It is worth noticing that agreed commitments (Para 31, the Future We Want) and Targets 5.c, 5.5 and 5.1 of the Open Working Group SDG report are reaffirmed: "We recommit to *adopt and strengthen sound policies and enforceable legislation* and transformative actions *for the promotion of gender equality and women's and girls' empowerment at all levels, ensure*

women's equal rights, access and opportunities for participation and leadership in the economy and to eliminate gender-based violence and discrimination in all its form" (Para 6, AAA draft). In the final stages of the negotiations, the reference to promote the empowerment of all women and girls at all levels was removed from the Domestic Resource Mobilization section towards the preamble, weakening actual government's obligations to adopt and strengthen policies and laws that are essential for women's human rights and gender equality. Under domestic resource mobilization governments agree to "promote and enforce non-discriminatory laws, social infrastructure and policies for sustainable development, as well as to enable women's full and equal participation in the economy, and their equal access to decision-making processes and leadership" (Para 21, AAAA draft), weakening the scope of policies to the ones who are able to promote at the same time sustainable development and enable women's participation in the economy.

Moreover, after strong debate in the negotiations, paragraph 240 of the Future We Want that states to "resolve to undertake legislation and administrative reforms to give women equal rights with men to economic resources, including access to ownership and control over land and other forms of property, credit, inheritance, natural resources and appropriate new technology" was incorporated into the Draft Action Agenda. "Full" should be included along with "equal rights", while an explicit reference needs to be made to guaranteeing women's and girls economic rights" in order to recognize inherent entitlements of women as full and equal citizens that are subjects of human rights. Instead of "access to ownership", governments should guarantee women's and girl's rights to full and equal access to, ownership and control over resources including the right to inheritance and land titling.

The references of some women's rights in the draft get undermined by a framework that shows a strong tendency towards the instrumentalization and commodification of women, where women's empowerment, and women's full and equal participation and leadership in the economy are vital to significantly enhance economic growth and productivity or to promote market access for financial services. Different references in the draft Addis Action Agenda on addressing gender equality and women's empowerment seem to speak more the IMF and World Bank language on "Gender Equality as Smart Economics" rather than to women and girls' entitlement to social and economic rights which are at the foundation of the UN.

For instance, financial inclusion is promoted as "key for social inclusion". However, microfinance should be qualified given evidence that microfinance has not only be positive. It has also contributed to exacerbating gender inequalities, and created dangerous levels of indebtedness among many poor women, particularly when provided by for-profit financial institutions or intermediaries. Microfinance should not be provided without effective regulation, recourse mechanisms and consumer protection agencies to prevent predatory lending and ensure greater financial literacy of consumers. Moreover, while financial inclusion is overemphasised, little attention is given to structural barriers for women's economic rights and access to, ownership and control over economic resources: ie, the unequal distribution of unpaid care work, the little access to care services, the persistent

gender discrimination in the labour market (through vertical and horizontal segregation², over-representation of women in precarious and low-paid jobs, and inadequate and insufficient social protection).

From creating an enabling environment to attract Foreign Direct Investment (FDI) and to promote Public-Private Partnerships (PPP) towards safeguards and investment frameworks that have binding norms, including for Transnational Corporations, that are consistent with human rights.

The draft Action Agenda strongly relies on private sector contribution to financing for development and women's empowerment, diverting attention away from the role of states in removing the global obstacles to development, mobilizing official development assistance and adequate domestic public resources.

The need to provide an enabling environment for business is emphasised, while evidence shows that the private sector often contradicts and undermines the possibility to respect, protect and fulfil human rights.

Moreover, the Addis Action Agenda fails to challenge the asymmetry between the set of binding juridical instruments states have been establishing over the past 40 years to protect and promote the interests of transnational corporations - especially through Free Trade Agreements, Bilateral Investment Treaties and Investor to State Dispute Settlement Mechanisms - on one hand, and the lack of binding instruments to hold corporations accountable for the human rights violations of people.

The draft Action Agenda fails to agree on mandatory rules and accountability mechanisms to ensure private sector compliance with human rights, including women's and indigenous people's rights. Instead, it promotes voluntary Global Compact principles on gender equality that have proven to be wholly inadequate and inappropriate to respond to women's human right abuses, especially from transnational corporations. Emblematic cases of human rights violations and the denial of reparation and compensation for victims - such as the Rana Plaza building collapse in Bangladesh killing over 1,000 factory workers (mostly women) and the 20 year litigation of 30,000 affected by Chevron intentional pollution of the Ecuadorean Amazon - exposes how insufficient the existing juridical frameworks are to ensure the protection of people.

Furthermore, based on the current draft, governments also have failed to acknowledge, let alone endorse, the critically important process unfolding in the UN Human Rights Council to

² Horizontal segregation refers to differences in the amount of people of each gender present across occupations. The term vertical segregation describes men's domination of the highest status jobs in both traditionally male and traditionally female occupations.

develop an international legally binding instrument on Transnational Corporations and other Business Enterprises that is based in the international human rights framework³.

FfD3 needs to address the duties and responsibilities of States to protect people from harms caused by the private sector, and of businesses to respect human rights in their activities. This includes that Foreign Direct Investment (FDI) needs to meet the decent work agenda as defined by ILO conventions, with particular emphasis also on sub-contractors compliance with human rights and women's rights. Also, effective implementation of a 'country by country reporting' obligation for multinational corporations to publicly disclose as part of their annual reports for each country in which they operate and effective accountability mechanisms for corporations, states and individuals at all levels. To facilitate this, a UN global inter-governmental system for automatic exchange of information on tax should be established.

Moreover, private sector activities including public-private partnerships are promoted with no sufficient safeguards to ensure accessibility, affordability and quality of the services and infrastructure that they are expected to deliver, or to ensure that they do not create unacceptable contingent liabilities for governments.

FfD3 also needs to ensure that any private sector or PPP project has in place accountability mechanisms in compliance with human rights standards and norms, including environmental and social safeguards. Agreed timelines for reporting and evaluation must be agreed ex-ante and with full participation of the affected communities, including women and girls, indigenous communities and people facing structural discrimination.

From global trade imbalances to respect developing countries policy space for productive diversification, decent work for women, and sustainable industrial policy.

The Addis Ababa Action Agenda wrongly characterises international trade as an unqualified good, claiming at the outset that international trade is an engine for poverty reduction and sustainable development. This is despite the evidence that the benefits of trade liberalisation have been distributed extremely unevenly between and within countries, the exploitation of women's cheap labour and precarious employment as a source of competitive advantage to attract foreign investment, the displacement and appropriation of indigenous people's knowledge, the confinement of developing countries to low value-added niches within global value chains that restrict skills transfers and technology spill-overs that are necessary for the development of domestic industry.

³ Human Rights Council-approved resolution A/HRC/26/L.22.

The reference to trade and “appropriate supporting policies” to assist and promote decent work and women’s empowerment is misleading, especially when governments have failed to agree to include mandatory ex-ante and periodic human rights impact assessments of all trade and investment policies and to protect policy space specially for developing countries to implement policies such as protection of infant-industries, female-job intensive sectors, small women’s producers, indigenous and traditional knowledge or access to medicines. It fails to adequately recognize the gendered impacts of the model of trade liberalization promoted by the WTO and multilateral preferential trade and investment agreements, including the increase of women’s burden of unpaid care work through privatization that makes social services such as water and health less accessible.

Moreover, the Draft Action Agenda does little to challenge the expansion of trade and investment agreements that aggressively pursue regulatory harmonisation and empower foreign investors to sue governments for implementing domestic regulation relating to wage policy, environmental protection, public health, affirmative action and macro-prudential policy.

It also fails to challenge the closed and secretive nature of the negotiation of these agreements, which undermine the right of all citizens to participate in public affairs. The deletion of a provision calling for the proper review of investor-state dispute settlement clauses is an enormous missed opportunity to ensure that these clauses do not undermine the right of states to regulate, especially in areas such as health, environment, water and sanitation, employment, micro, small and medium enterprise development and infrastructure, which are all critical for gender justice and women’s human rights. Moreover, the development impact of Aid for trade programs including those who claim to improve women’s access to global market has been difficult to assess, while criticism about policy conditionalities to trade liberalization increase. Aid for trade promises can’t be used to shifting ODA funds priorities that can be dedicated to fulfil women’s human rights and poverty eradication to leverage the private sector and promote trade liberalisation.

From taxing women in the informal economy to progressive taxation and international tax cooperation.

It is extremely concerning that the reference to “promote equity, including gender equality as an objective in all tax and revenue policies” was removed from the document. Governments draft agree to “work to improve the fairness of our tax systems”, but the Draft Action Agenda might be promoting the contrary when it proposes simultaneously “broadening the tax base and continuing efforts to integrate the informal sector into the formal economy in line with country circumstances”. Tax policy is not gender neutral and domestic resource mobilization policies need to be reviewed for their impact on women’s income, work, including unpaid labour and unpaid care, and property and assets ownership. Regressive tax policies that for example rely disproportionately on indirect taxation are likely to affect women living in poverty more heavily because of women’s socially constructed roles as primary caregivers and their responsibility for providing goods and services for their families. Expanding the tax

base through “formalization of the informal economy” can translate into negatively affecting self employed women including small-scale market vendors, farmers and fisherpeople and those in micro and small-scale enterprises, who would likely bear a disproportionate high tax burden, while further enabling big corporations and rich individuals to continue to benefit from tax avoidance. The disproportionate burden of taxation on women and all people living in poverty must instead be reversed, as part of a broader shift in fiscal policy at the national level to address inequalities. Taxation reform should garner additional and sufficient resources to comply states’ obligations to commit the maximum available resources to fulfilling women’s human rights. The resistance from developed countries to ensure greater international tax cooperation through the creation of a UN tax body that is urgently required by all countries to truly combat illicit financial flows and tax evasion, and to address inequalities within and between countries, is unacceptable.

For governments to be able to mobilize domestic resources, it is central to consider domestic policy space and how the international institutional environment supports or undermines the capacity of national governments to implement macroeconomic, productive, labor and social policies towards equitable and sustainable development patterns. Specific commitments should be taken in key policy areas of domestic public resources mobilization to contribute to sustainable development. Priority must be given to productive diversification policies in sustainable and job-intensive sectors (particularly for women), along with complementary macroeconomic, trade, investment, labor and social policies that remove obstacles for equitable development strategies.

Finally, while we acknowledge that the Action Agenda draft includes a commitment to “increase transparency and equal participation in the budgeting process, and promote gender responsive budgeting and tracking” (Para 30, Draft AAA), “promote” is not strong enough to guarantee that women’s rights are getting fulfilled, nor that specific actions are taken to remove structural obstacles for gender equality.

From using Official Development Assistance (ODA) and development cooperation to leveraging private finance and donor priorities towards untied, additional and predictable ODA and development cooperation that contributes to the respect, protection and fulfilment of gender equality, human rights and sustainable development.

The draft Addis Action Agenda “urges” countries to meet the 0.7% of GNI as ODA, rather than requiring a commitment to 0.7% which is substantiated by a clear and binding timetable. The inclusion of “We strongly encourage all donor countries to establish, by the end of 2015, indicative timetables to illustrate how they will increase their assistance and reach their goals” from the Zero draft is now gone. In order to tackle volatility of ODA flows and ensure additionality, the commitment should be accompanied by binding timetables by region to illustrate how and where ODA will be increased and ensure that systems and accountability mechanisms regarding goals achieved are in place. The increase in ODA should not lead to a cycle of debt for the recipient country. Rather the major increase in ODA should be felt in the grants component of assistance rather than in the loan component. ODA

must not be used to exercise power over recipient countries, for example through the imposition of policy conditionalities. Neither should ODA be linked to trade negotiations.

We welcome the specific mentions of ODA to Middle income countries (MICs) in Paras 71 and 72, however, the Action Agenda focuses on MDBs not in all donors to develop graduation policies that are sequenced, phased and gradual (...) and to explore ways to ensure that their assistance best addresses the opportunities and challenges presented by the diverse circumstances of MICs. It is crucial that the text includes all donors, including bilateral and multilateral donors from the OECD DAC which still account for the majority of funds for gender equality and women's rights.

Moreover, they are imperative to protect the human rights of affected communities. The World Bank's safeguards revision process has already raised grave concerns about the consistency of the new framework with existing human rights obligations and international law, including in relation to resettlement policy, the rights of indigenous peoples and women's human rights.

In relation to Multilateral Development Banks, (Para 75, AAA draft), we note that the Action Agenda mentions that the Member states will "encourage all development banks to establish or maintain social and environmental safeguards systems, including on human rights, gender equality and women's empowerment, that are transparent, effective, efficient, and time-sensitive". While this is positive, it only encourages, but it does not include concrete plans and mechanisms to hold them accountable and monitor to such safeguard systems. Without an explicit commitment to set up an intergovernmental accountability and follow up mechanism, this remains rhetoric. MDBs must ensure that their safeguards are consistent with the extraterritorial human rights obligations of governments, and existing obligations under international law.

Furthermore, all the efforts to include a specific Plan of Action as proposed by Mexico and supported by CELAC and G77 were removed from the final Action Agenda. Without a concrete plan on financing and meeting the needs of MICs, there will be weak actions and diluted responsibilities. We would like to see first the political will to agree on such an action plan and the appropriate technical environment to map out its specificities, with the inclusion of Civil Society. Developed countries still have responsibilities towards middle income countries and thus, middle income countries must be considered ODA recipients. Given the fact that MICs have the largest number of the people living in poverty, the majority of whom are women.

We note positively the specific mention to "urge countries to track and report resource allocations for gender equality and women's empowerment", however, tracking and reporting alone is not enough. The Action Agenda should call upon donors to adequately fund gender equality, and women's human rights and empowerment. It is unacceptable that developed countries are not committing to scaling up the share of ODA for achieving gender equality, women's empowerment and women's human rights. ODA must be used to promote development while reducing structural inequalities including gender inequality. It must this uphold the obligations of all governments to fulfil existing internationally agreed development agendas and goals related with women's human rights included in the Beijing Platform for Action, the Program of Action of the International Conference on Population and

Development, the Convention on the Elimination of All Forms of Discrimination Against Women, among others, without resorting to impositions and policy conditionalities within the narrow framework of aid giving. Furthermore, ODA should be provided in a way that effectively supports longer term structural change for example through sustained support to civil society organizations and especially women's rights organizations.

ODA continues to play a key role in support of gender equality and women's human rights and empowerment. However, the OECD DAC GENDERNET analysis of donor's financial commitments in this field showed that there is a big gap between the official rhetoric and actual practice. While there has been an overall upward trend in the amounts of aid focused on gender equality in education and population services, gender focused aid in other sectors has remained stalled and insufficient. The share of ODA for achieving gender equality and women's human rights should be scaled up ensuring that there are year to year increases by some agreed upon level and new and additional official funding should be secured to implement the Sustainable Development Goals (SDGs). The SDG Gender equality stand-alone goal on women's rights and gender equality must have stand-alone funding to fulfil its ambition.

We call for caution on the multi-stakeholder partnerships in specific areas such as health, education and food that are included in the draft Action Agenda. These partnerships with the private sector are not discussed and approved by governments in an intergovernmental space at the UN. The multi-stakeholder partnership approach can have severe consequences for the implementation of the development agenda for the next decades since it relies on siloed approaches without a clear link to human rights obligations and comprehensive development agendas, and national strategies. For example, the "Every Women Every Child" initiative has a mother-child approach in relation to sexual and reproductive health, and it does not clearly outline its contribution and articulation with the comprehensive sexual and reproductive health and rights policies of the Program on action of the ICPD. Furthermore, their funding is unpredictable and volatile as they depend heavily on voluntary commitments from the private and corporate sector. Before promoting these voluntary initiatives, governments should establish an open, transparent, and participatory UN led intergovernmental space for oversight, monitoring and review of any partnerships developed or promoted within the framework of the United Nations.

For instance, in the case of Adult Education, the tendency to promote the privatization and marketization of education coupled with the scace financement of public education jeopardize the right to education and the possibilities for young and adult women and men to have free access to education. Women are key to the realisation of the right to food for all, they have unequal access to food and unequal access to resources for food.

Moreover, any multi-stakeholder process needs to start with the role of States as guarantors of the rights of communities and individuals and all governments need to ensure democratic ownership so that all people's voices and their concerns be the primary basis for national development plans, policies and processes. Democratic ownership of development strategies by the people through representative, transparent and accountable institutions is the main mechanism for achieving the governance needed for achieving sustainable, inclusive and just development that reaches all people. A true implementation of the principle of democratic ownership requires the necessary democratic policy space, and insists that

national parliaments and civil society, including women's rights organizations, must have a say in defining development strategies. The role of civil society in development processes should be ensured in line with the right to participate in public decision-making, which should be reflected in substantive inclusion of civil society, including feminists and women's rights organizations, in development processes.⁴

From “new social compacts” towards the implementation of comprehensive and universal social protection systems and public services

While the Monterrey Consensus recognized the vital importance of investment in economic and social infrastructure, social services and social protection, including education, health, nutrition, shelter and social security programmes, which take special care of children and older persons and are gender sensitive (Para 16, Monterrey Consensus), and the Doha Declaration advanced “universal access to basic economic and social infrastructure and inclusive social services” (Para 13, Doha Declaration), the Addis Action Agenda draft emphasizes the commitment to new social compacts (Para 12, AAA draft), which obscures the fact that States are already under the obligation to fulfill the human right to social security established in the Universal Declaration on Human Rights and the International Covenant on Economic, Social and Cultural Rights (ICESCR). Therefore, the commitment should be stronger in ensuring progressive financing to build comprehensive systems of social protection that provide universal access to quality social services.

Specific commitments should be made to include care as a core axis of social protection, and a high priority. There is a strong need for policies, regulations and services to transform current patterns of sexual division of labour, including the unequal distribution of unpaid care work, through improving social infrastructure, expanding universal care services and promoting the transformation of gender roles that reinforce an unfair social organization of care. The aim of “generating full and productive employment and decent work for all” (Para 16, AAA draft) is unachievable unless States assume concrete and effective commitments to transform these structural barriers. Unfortunately, the mention to reduce and redistribute unpaid care work proposed by different block of countries is not finally included in the latest draft version of the Addis Action Agenda.

From reducing FfD agenda to the Means of Implementation of the Post 2015 Agenda, towards strengthening FfD mandate and follow up mechanism to remove global obstacles for the implementation of all the internationally agreed development agendas

Paragraph 19 of the Addis Action Agenda states “The post-2015 development agenda, including the SDGs, can be met within the framework of a revitalized global partnership for

⁴ ICESCR, Art. 25.

sustainable development, supported by the concrete policies and actions as outlined in the present Action Agenda.” However it is important to recall that FfD agenda is more than the means of implementation of the post-2015 development agenda, and not all means of implementation of the post-2015 development agenda can be covered in the Addis Action Agenda.

We recognized that the draft Addis Action Agenda rightly agrees on a "Technology Facilitation Mechanism" (which developing countries have been calling for since Rio+20), providing a space to deliberate on technologies and their potential impacts that are relevant to the fulfillment of the SDGs. The draft Addis Action Agenda also states the importance of traditional and indigenous knowledge and innovations, their role is invaluable of in enabling communities to address development and climate change challenges. However, the gender gap in technology receives insufficient attention, in particular measures to include women in design of sustainable technologies.

However, FfD is the only process within the United Nations that deals with systemic issues, a pre-condition to achieve SDGs, but also to generate the structural conditions for the implementation of other agendas that are part of the United Nations and cannot be reduced to the 17 objectives approved, among them, the Human Rights Conventions, the Women’s Rights Beijing Platform for Action (BPfA), the Cairo Programme of Action on Population and Development, the Least Developed Countries (LDCs), the Land-locked Developing Countries (LLDC), and the Small Island Developing States (SIDS), etc.

Government should not engage in a race to the bottom and negotiate an agreement that ends up weakening commitments in both fronts. So, it is necessary to find synergies observing the corresponding mandates and expertise of each process as a way to strengthen, and not reducing, commitments in both processes.

The lack of commitment to establish a strong FfD follow up mechanism would have consequences in the ability of countries, especially developing countries to implement the international agreed development agendas and prevent the impacts of future global crises. The specific modalities of FfD follow up mechanism proposed should be further discussed. The compromise is to have annual ECOSOC Forum on Financing for Development follow-up with universal, intergovernmental participation. It is positive that in Paragraph 132 it is stated that it will have intergovernmentally agreed conclusions and recommendations but it should be clear how this outcome will feed into the overall follow-up and review of the implementation of the post-2015 development agenda in the high-level political forum (HLPF) on sustainable development.

Since the forum will have four days to discuss FfD but also the means of implementation of the post-2015 development agenda, there could be also a potential loss of specialization over many of the areas above, because programmatic concerns may dominate discussions

over macroeconomic considerations. The FfD holistic approach needs to be preserved even under the HLPF, the FfD agenda precede and surpass the scope of the SDG/Post2015.

This implies to assess the implementation of commitments of all six FfD chapters outlined in the Monterrey Consensus but specially the level of coherence and consistency of the international monetary, financial and trading system in support of development. To follow up the Consensus and the Addis Action Agenda, obstacles and gaps to FfD implementation need to be assessed recommendations made on how to overcome these obstacles and bridge the gaps. For instance, governments agreed at the the World Financial and Economic Crisis and Its Impact on Development that the United Nations, on the basis of its universal membership and legitimacy, is well positioned to lead in reform processes aimed at improving and strengthening the effective functioning of the international financial system and architecture (paragraph 2). However there has been little progress in advancing this. The Forum should assess why and what should be done.

Moreover, accountability on all commitments is crucial, with due emphasis on commitments of developed countries as well, so that the review of implementation is not only focusing towards national implementation. Actions of systemically significant countries that have direct bearing on the stability and sustained growth of relatively smaller and open economies need to be discussed and debated in an open, transparent space that the UN provides. Bridges and inter-connections among development, trade, finance, debt, systemic issues and women's rights commitments need to be further explored. From the WWG on FfD we stress that that it is essential for FfD to keep its autonomy in the follow-up process.
