

To the kind attention of:

H. E. Mrs. Mona Juul, President of the Economic and Social Council

H.E. Mrs. Elizabeth Thompson, Permanent Representative of Barbados to the United Nations
H.E. Mr. Andrejs Pildegovičs, Permanent Representative of Latvia to the United Nations
Co-Facilitators for the preparation of draft conclusions and recommendations of the 2020 FfD Forum

Cc:

H.E. Tijjani Muhammad-Bande, President of the General Assembly of the United Nations
H.E. Mr. António Guterres, Secretary General of the United Nations
Members of the ECOSOC Bureau
Permanent Representatives and Observers to the United Nations in New York

31 March 2020

RE: United Nations/Financing for Development Response to COVID-induced Crisis

Your Excellencies,

We trust this message finds you and your dearest ones in good health in these complex times. We, the Civil Society Financing for Development (FfD) Group, representing a wide range of organizations, federations and networks from diverse regions and constituencies around the world (including the Women's Working Group on FfD), respectfully submit some key and urgent proposals regarding the role of the UN/FfD process in the context of the global crisis which is currently unfolding as a result of the COVID-19 pandemic.

The world is confronted with a human crisis of inestimable proportions, which will once again impose its heaviest tolls on the marginalized and most vulnerable - an intertwined health emergency of dramatic scope triggering multi-layered economic and financial crises, all equally rooted in patterns of hyper-globalization that amplified structural disparities and ossified a global division of labour focused on the extraction of wealth and resources from the Global South. This is a moment of discontinuity in history, one that exposes the depth of the inequalities within and between countries and the consequences of decades of de-regulation, financialization and corporate concentration.

The immediate aftermath of the crisis, which is possibly much deeper and more complex than the past financial one, was dominated by national responses, primarily confronting the health emergency but also ring-fencing developed economies with limited consideration of risks and implications on developing ones. While developing countries are scaling up emergency preparedness despite deep resource limitations, many commodity-trapped economies are already heavily impacted by marked drops in prices and slowdown of global value chains. **The scope and gravity of the situation therefore requires an ambitious multi-lateral response under the auspices, leadership and coordination of the United Nations.** In this respect, we deeply appreciated the words of the UN Secretary General: "Current responses at the country level will not address the global scale and complexity of the crisis. (...) We are in an unprecedented situation and the normal rules no longer apply. We cannot resort to the usual tools in such unusual times."¹

We therefore call for an ambitious UN/FfD-centred process to assess the crisis and agree on responses leading to an **International Economic Reconstruction and Systemic Reform Summit under the aegis of the United Nations**, either later this year or in early 2021, depending on when circumstances may allow it. This would be coherent with the role of the FfD process, in the true spirit of Monterrey, and the urgent call by the UN Secretary General to move beyond "usual tools".

The United Nations, through the FfD Follow-up process, would then step up to the challenge and offer a critical space for advancing much-needed short and medium-term solutions aimed at strengthening multilateral cooperation and ensuring adequate fiscal and policy space by all countries, with special reference to

¹ <https://www.un.org/sg/en/content/sg/speeches/2020-03-19/remarks-virtual-press-encounter-covid-19-crisis>

developing economies, to tackle the health, food, social, economic and financial dimensions of the crisis. At the same time, the FfD Follow-up process would also raise the level of ambition to advance the removal of structural barriers to socio-economic transformation and systemic reforms of global economic frameworks to realign them with the imperatives of human rights, gender justice, decent work, people-centeredness and sustainable development. This could set the international community back on track to unlock the necessary means of implementation to realize the aspirations of the 2030 Agenda for Sustainable Development.

Against the manifest impossibility to host the 2020 ECOSOC Forum on FfD Follow-up according to original schedule and modalities, we would like to advance the following concrete proposals:

- Under the leadership of the ECOSOC President and Bureau, informal discussions on the urgent need for an UN/FfD-centred crisis process should be immediately initiated. Keeping in mind the special constraints and challenges of developing countries, particularly Least Developed Countries, such informal discussions must ensure that all Member States are able to participate effectively and on an equal footing;
- In active consultation with the membership, the negotiations for the 2020 intergovernmentally agreed outcome should be re-focused on the rationale, modalities and agenda for such a UN/FfD-centred crisis process, including the possible hosting arrangements for the Conference in either late 2020 or early 2021;
- Once consensus is reached on the UN/FfD-centred crisis process, the second phase of the 2020 outcome negotiations should address key challenges and modalities of preparations for each FfD action area, including any necessary mandates to the Inter-Agency Task Force and FfD Institutional Stakeholders;
- The Inter-Agency Task Force on FfD should be requested to initiate preparations for a special report for the UN/FfD-centred crisis process, including an addendum to the recently released 2020 Report;
- All these preparations should start immediately through online communication means while ensuring that all Member States, including Least Developed Countries, are able to participate effectively and on a truly equal footing. Online discussions and negotiations need to take into full account the imbalances in infrastructure, connectivity and capacity as well as the different time schedules. The preparations should be conducted in full transparency and with adequate participation of civil society;
- While informal consultations and initial negotiations could start through online means, with all caveats explained above, it would be necessary to finalize them in person as soon as the evolution of the pandemic would allow physical meetings though an adequate calendar of intergovernmental preparations.

We understand that these proposals break the normalcy of the process and might be outside existing mandates. But we experience circumstances that call for extraordinary measures and initiatives. The FfD 2020 intergovernmentally agreed outcome cannot give the wrong signal to the world community: it needs to break with ‘business as usual’ and demonstrate the readiness of the United Nations to confront the economic crisis with confidence and determination. **Hence the need for bold steps that break with normalcy and manifest the resolve of the United Nations to step-up to the exceptional occasion.** We trust we can count on your leadership to initiate such bold steps.

We are also pleased to inform you that the FfD Coordination Group is leading a significant effort in coordinating a collective civil society response, across many economic justice movements, and all FfD communities/workstreams are working hard to build a systemic and comprehensive set of proposals to this extraordinary conjuncture. We will soon get back to you with our substantive contribution in this respect.

We remain at your disposal for any necessary clarifications on these proposals and look forward to constructively engaging with you in these exceptional circumstances.

Sincerely yours,

Civil Society Financing for Development Group (www.csoforffd.org)
(including the Women’s Working Group on Financing for Development)