

To the kind attention of:

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

Cc:

H.E. Ms Mona Juul, President of the Economic and Social Council  
H.E. Mr. Tijjani Muhammad-Bande, President of the General Assembly of the United Nations  
Mr. Navid Hanif, Director, Financing for Sustainable Development Office, UN DESA  
Members of the ECOSOC Bureau  
Permanent Representatives and Observers to the United Nations in New York

15 April 2020

**RE: 2020 ECOSOC Forum on FfD – Civil Society FfD Group’s response to First Draft Outcome**

Your Excellencies,

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 the following key inputs on the ‘First Draft’.

We welcome the improvements in the analysis featured in the ‘first draft’ and appreciate your continued commitment in moving the FfD process during these challenging times. We fully understand and appreciate the challenging negotiating circumstances, but we reiterate that adopting an outcome document without clear and actionable responses to the global crisis will equal to an abdication of the UN’s responsibilities during such a critical phase in history.

**We therefore call for the inclusion of the below paragraph to ensure a UN-led response to the ongoing crisis:**

*“20. We call on the Secretary General, President of General Assembly and President of ECOSOC to organise a High-Level (virtual) meeting during the General Assembly in September 2020 (or at an appropriate time later this year) to take stock of the global economic and financial situation in the context of the Covid-19 crisis and decide on next steps, including the need for an International Economic Reconstruction and Systemic Reform Summit under the auspices of the UN/FfD in 2021”.*

The Intergovernmental Group of Twenty-Four on International Monetary Affairs and Development (‘G24’) in its recent [communiqué](#) also highlighted “the need for an inclusive forum to examine the adequacy of the existing international financial and economic architecture and its ability to respond equitably and rapidly to global crises”. We believe the United Nations should lead on the response to the current crisis as it is the only institution that can do so in an inclusive manner. The economic disruptions induced by the COVID-19 crisis will hit developing countries and marginalised sections of society hardest. The response to such a global crisis, therefore, cannot be left to forums and groups that suffer from serious democratic deficits.

**We also call for the inclusion of the following edits to para 8:**

8. The impacts of the crisis are felt disproportionately by women, **older persons and persons with disabilities**. Women are over-represented as frontline health workers, continue to do the majority of unpaid care work and face increased risks of domestic violence and exploitation. **Older persons and persons with disabilities are at greater risk of contracting COVID-19 from increased barriers in accessing healthcare services, disruptions in needed services, and lack of access public information and healthcare communication messages**. We will strive to ensure that emergency social and economic schemes integrate a gender perspective **and are inclusive of older persons and persons with disabilities**.

**Furthermore, we wish to reiterate the substantive proposals we are calling for as Civil Society FfD Group. Please find them highlighted in the annex to this letter**, including the link to a detailed statement calling for a **debt jubilee to tackle the Covid-19 health, social and economic crisis**.

We would also like to stress that the online/virtual process should allow civil society to be able to witness negotiations via video consultation and to participate meaningfully, including ensuring that all written member states' inputs are available publicly. In this respect, **we are deeply disappointed that the process so far has been closed to civil society participation. We expect this will be corrected for the video conference on 16th April** and look forward to receiving the details for the conference call.

We remain at your disposal for any necessary clarifications on these proposals and count on your leadership to move steps in this direction.

Sincerely yours,

Civil Society Financing for Development Group (<https://csoforffd.org/>)  
(including the Women's Working Group on Financing for Development)

**ANNEX I - The kind of solutions needed**

In the short-term, for instance, we appreciated that UNCTAD has called for a \$2.5 trillion crisis package for developing countries that includes:

1. A \$1 trillion liquidity injection i.e. 'helicopter money drop' through reallocating existing Special Drawing Rights at the International Monetary Fund and adding a new allocation;
2. A \$1 trillion debt cancellation for distressed economies;
3. A \$500 billion 'Marshall Plan' for health recovery and disbursed as grants funded from some of the missing ODA long promised but not delivered by development partners; and,
4. Ensuring capital controls are given their legitimate place in any policy regime to curtail the surge in capital outflows, reduce illiquidity driven by sell-offs in developing country markets and to arrest declines in currency and asset prices.

We believe these proposals deserve due attention and careful consideration. As the Civil Society FfD Group, we are also calling for measures such as (among others):

- A [debt jubilee](#) with the permanent cancellation of all external debt payments due in 2020 by developing countries, with no accrual of interest/charges and no penalties, and the provision of additional, fresh emergency finance that does not create more debt. Debt cancellation and new financing should be provided free of demands for market-friendly and austerity-focused

policy reforms in developing countries, while adequate measures should be put in place to protect developing countries from lawsuits when ceasing 2020 debt payments;

- A process under UN auspices to be agreed in the longer term, to support systematic, timely, and fair restructuring of sovereign debt;
- Governments to put in place urgent economic stimulus plans and workplace measures to protect the health and the income of workers and communities through coordinated multilateral responses to COVID- 19, and to expand access to healthcare and social protection. Everybody's life, job and income should be protected, regardless of the employment status (self-employed, gig-economy workers, workers in the informal economy);
- A Global Fund for Universal Social Protection to support the most vulnerable countries in responding to the pandemic;
- A global ban on short selling among all markets and increase regulation/surveillance of high-frequency trading, along with a global agreement on the importance of capital account management to prevent capital flight, limit speculative trading and arrest declines in currency and asset prices;
- Governments to stop negotiating all trade and investment agreements as their resources are better engaged in fighting the current COVID19 crisis. Any ongoing negotiations, whether at multilateral, regional, or bilateral levels, faces the grave risk of producing outcomes that may be irrelevant and detrimental as the global economy emerges from this crisis. Instead, an alternative trade & investment framework is needed that works for the governments and their people in the medium-to long- term;
- Governments to suspend current OECD BEPS negotiations on taxing of digital economy as that also risks producing outcomes that would be irrelevant to developing country contexts;
- Call on DAC members to immediately reverse the decline in ODA, fulfil and where possible exceed the 0.7% target for ODA in the form of unconditional grants and technical support. We call on donors to ensure that development aid is not diverted, but reinforces humanitarian response to the crisis, to ensure that aid is used where it is most needed and clearly demonstrates sustainable development impact in emergency responses going forward, and to ensure that emergency responses are aligned with developing country priorities without conditionalities. We also call on donors to uphold the integrity of ODA and their development effectiveness commitments;
- Governments to refrain from authoritarian and surveillance measures that undermine human rights and inhibit the capacities of CSO to respond effectively to the crisis.

## References

- [Civil Society FfD Group's Statement on United Nations/Financing for Development Response to COVID-induced Crisis](#)
- [Civil Society FfD Group's Response to Zero Draft 2020 FfD Outcome](#)
- [A debt jubilee to tackle the Covid-19 health, social and economic crisis](#)
- [Civil Society FfD Group's Response to the 2020 FSDR](#)