

2021 FfD Forum

Special High-level Meeting with Bretton Woods Institutions, WTO and UNCTAD

Statement by Deborah James from Our World Is Not Sale and the Center for Economic and Policy Research (CEPR) on behalf of the Civil Society Financing for Development Group (including Women's Working Group on FfD).

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1. We must strengthen the role of UNCTAD coming out of the UNCTAD XV conference, especially its role in building consensus on policy space for trade for development in the context of - not divorced from – the actual global economy. This includes the need for de-financialization, to discipline and reduce the overwhelming power of transnational corporations and their monopoly rent-seeking behavior that is draining domestic resources around the world, and to jump-start a Global Green Deal.

2. We absolutely need the IMF to issue 3 trillion USD's worth of Special Drawing Rights, so that developing countries can have sufficient resources to fight the pandemic, and also to meet their financing needs. The only reason the recent discussion has been limited to 650 billion USD's worth of SDRs – is that this is the amount the US can support this without Congressional approval, but the House approved 2 trillion SDRs twice last year, and efforts are underway to get the 3 trillion USD worth of SDRs approved in both houses this year. This is the only way that developing countries will be able to lead their own way out of the economic crises imposed on them by the external force of Covid. The IMF and WB must immediately write down the illegitimate debt, and advance a new international debt architecture, as well as advocate for new global tax regime negotiated in the UN that will allow these countries to maintain their own resources in the face of existing and emerging challenges.

3. Within the WTO, there are so many harmful rules and rules in other trade and investment agreements which should be immediately suspended in order that countries can implement economic policies to address the economic crises. The secretariat must facilitate the conclusion of the Development Agenda in the WTO, and stop the potentially illegal facilitation of plurilateral meetings such as for digital trade, investment facilitation, and domestic regulation. And this includes investment agreements, that should be suspended during the pandemic.

4. Most importantly, WTO secretariat must immediately facilitate an agreement on the urgent suspension of the so-called Intellectual Property rules – which are simply rules that allow giant pharmaceutical corporations to maintain monopoly control over the production, supply and prices of life-saving medicines which should be in the hand of states to ensure access to treatments, to vaccines, and to other needed medical needs. Donations, GAVI, COVAX, the Gates Foundation are small contributions but are NOT the solution – increasing manufacturing of vaccines in developing countries is the only solution that will work. There is no issue of more moral imperative than access to medicines and vaccines, and that REQUIRES the immediate suspension of patent monopolies in the WTO today, and the WTO itself could do a great deal more to move this forward.

5. On private infrastructure investment, while we talk about the benefits, we need to talk about the disproportionate rights that foreign investors enjoy under the International Investment agreements (IIAs) and the infamous investor-state-dispute-settlement. Many governments are faced with the threat of ISDS cases for taking Covid measures or are paying huge amounts as damages on various other cases, resources that could have been used for fighting the pandemic and buying vaccines, for example. There needs to be an immediate moratorium on such provisions in all trade and investment agreements that

compromise governments' policy space to address the pandemic. We very much appreciate the statement from the PM of Pakistan in this regard.