“Our Common Agenda”

Thematic Cluster-II

“Accelerating the SDGs through Sustainable Financing and Building Trust”

14 February 2022

INDIA Statement

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Mr. Vice President,

Thank you for convening today’s thematic consultations on the recommendations in the Secretary General’s Report on Our Common Agenda relating to sustainable financing of SDGs and trust building. We thank Deputy Secretary General for her briefing.

2. We take this opportunity to share our perspective on the following issues:

a) **International Financial System:** The slowdown of the global economy, made worse by the pandemic, has affected the ability of developing countries to mobilize finance for their development aspirations. Global finance resources available for developmental priorities have further been limited by their diversion towards more immediate humanitarian needs, including in various conflict situations. We agree with the Secretary General’s assertion that international community should use this opportunity to reshape international financial systems. However, it is important that we do not lose sight of the centrality of the **2030 Agenda** and the **Adis Ababa Action Agenda** on Financing for Development in this process.

This calls for a supportive international economic environment and multilateral trade regime; *financially viable, transparent and sustainable*
investment flows aligned with national priorities; and a strengthened framework for transfer of technology, to foster economic growth, eradicate poverty and promote sustainable development. What we need is sustainable financing, and not innovative accounting.

This is in line with India’s longstanding call for reformed multilateralism in international financial systems, business institutions and organizations.

b) International trade is a key component of measures to promote inclusive economic growth and development, as well as poverty eradication. The application of the principle of special and differential treatment for developing countries in harnessing the developmental benefit of international trade remains crucial. We reiterate our support for the centrality of the WTO as the cornerstone of a rule based, open, transparent, non-discriminatory and inclusive multilateral trading system with development as the foundation.

c) Strengthening international tax cooperation: In response to the call of the Addis Ababa Action Agenda, India has contributed to the Trust Fund of the Committee of Experts on International Cooperation in Tax Matters, and remains the only country to have done so. While the work of this Committee is extremely important, it cannot substitute genuine multilateralism in deciding global standards on international taxation, where all countries have an equal voice. An intergovernmental body with universal membership is essential for more effective implementation of tax standards and norms and for the effective implementation of the 2030 agenda. The UN is the only forum which can provide this platform, and we support the Secretary General’s calls in this direction.

d) Cross-border tax evasion is one of the three main components of illicit financial flows, alongside corruption and the transfer of the proceeds of crime. The scope and complexity of IFFs and the continued need for the recovery and return of stolen assets necessitates international cooperation, including by building on existing platforms such as the Financial Action Task Force. We join those who have sought further clarity on the Secretary General’s proposal to establish a new joint structure on financial integrity and illicit financial flows.

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