



2023 Financing for Development Forum

Session: Remaking the international financial architecture to achieve the SDGs

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Your excellencies, delegates and fellow CSO colleagues,

Many of you have highlighted the importance of facing the worsening debt problems urgently. We heard from the Secretary General that the UN should and hopefully will be committing on intergovernmental dialogues on debt architecture reform. Not at the G20, not at the IMF and WB meetings, but here at the UN where all, borrowing and creditor countries are convened in equal footing, in a decision making discussion amongst member states, not to enhance existing mechanism or decide on cosmetic reforms, but to build a multilateral legal framework for sovereign debt resolution that offers fair, transparent, timely and comprehensive debt restructuring and cancellation to unsustainable and illegitimate debts.

Mr. Ocampo also mentioned the need for such dialogues, but I am afraid we must disagree with you on something; this is not a long term goal, it is urgent and the more time we delay this discussion, the less chances we have to tackle the global multiple crises. Debt is killing the SDGs and the chances to tackle the climate emergency, we need to act now on reforming the debt architecture.

Several interveners have highlighted the WB roadmap evolution, the MDBs reforms, Bridgetown Initiative or the new financial pact proposed by France. Excellencies, none of these will deliver on just solutions to the multiple crises and particularly to the debt crisis, as it will throw more fuel into the fire. These initiatives are broadly centered in increasing lending, blending, derisking private finance and investment, and increasing the role of the private finance. We are afraid that all of these will only worsen the debt problems, and that the private sector, looking for the biggest returns possible, won't deliver on the protection of public goods and human rights that we need. We need public finance for public goods, and we need substantial debt cancellation to all countries that need it, from all creditors, including bilateral, private and also multilateral creditors.