



2023 Financing for Development Forum

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

Themes: 1) Supporting developing countries in dealing with the compounding crises and in financing the SDGs; and 2) External debt

Statement by Iolanda Fresnillo of Eurodad on behalf of Civil Society FfD Mechanism (including the Women's Working Group on FfD)

18 April, 2023

Thank you madam chair

Your excellencies, thank you for a very interesting debate that we look forward to continue in the next panel and in the side event that CS FfD mechanism together with UNCTAD will have at 1.30 in CR9.

I am taking the floor to respond to some issues shared in this session. In regards to the affirmation of the representative of the IMF liaison that the CM is delivering, we must remember that Chad did not get a single dollar of debt cancellation, just a debt rescheduling that obviously helped, but have done enough to take the country out of the debt trap and the multiple crisis that the Chad delegate just mentioned. He also referred to Zambia, more than two years of negotiations, similar to Suriname outside the CF. At least suriname outside the CF managed to agree with its bilateral lenders. So the delivery of the CF still needs to be seen.

Meanwhile, countries are forced to implement harsh IMF programs that, as the Cuba delegate highlighted, are pushing for austerity packages and risking a procyclical worsening of the crisis, including through the surcharges, as highlighted by Argentina.

Let us be clear with something: enhancing the common framework won't work. It won't work it is being discussed in a forum, G20, that is neither inclusive, nor democratic, and it is in a geopolitical deadlock. It won't work for most global south countries because it is being discussed by creditors for creditors interests.

GSDR won't work for the same reason. As the G20 is not inclusive - 6 borrowing countries vs 14 creditors – 6 global south countries of 130+ countries in G77- Not inclusive, nor transparent, nor based on a specific mandate or known agenda

We heard from the panel, that we hopefully we will see progress – hope is all we have, as most of the countries in this room do not have a seat neither at the G20 nor at the GSDR .

India highlighted the need for further creditor coordination, maybe what we need to push reform forward is a higher borrowing countries coordination. As the indian delegate highlighted as well, one can't keep doing the same thing and expect different results. Maybe it's time to start doing

things differently. As the morocco representative said, in the name of the light minded countries, we need to start working for a new multilateral legal framework for debt treatments.

Thank you.