



## 2023 Financing for Development Forum

### ***Session: Integrating National Financing Frameworks - national actions to raise financing for the SDGs***

#### **Statement by Leo Atakpu, African Network for Environmental & Economic Justice on behalf of Civil Society FfD Mechanism (including the Women's Working Group on FfD)**

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I thank you Mr. moderator to give me opportunity to share our few inputs for Indonesian INFFs, on behalf of Indonesian Civil Society, people with disability and on behalf of Civil Society Organization FFD mechanism. First, the **CSO participation in INFF is highly appreciated yet further more inclusive process needs to be strengthened**. INFFs can potentially facilitate a structured dialogue with line ministries and non-state actors to develop financing landscape mapping for sustainable development. INFFs can also be potentially useful not only for the Indonesian government but also for CSOs to understand the landscape of SDGs financing in countries. INFFs needs to be disseminated more broadly not only to development actors close to government but all range of development actors including the diverse types of CSOs in countries that work on development, climate change and humanitarian issues.

Having said this, harmonization of any relevant regulations regarding public fundraising and philanthropic movements in country needs to be done so there should not be any conflicting instruments to promote public participation in mobilizing resources for financing development, for example, there is a significant challenge in my country, Indonesia's, national law regarding fundraising public funds that greatly complicate philanthropic endeavours. INFFs innovation of Green Sukuk and the best practices of blended financing between an Islamic Financing with Green Environment Fund (GEF) – international for climate financing, offer some ideas to learn from.

Furthermore, your excellency, we insist on the **strengthening accountability not putting bureaucracy to lock the potency of collaboration**. In Indonesia we has a mechanism for channelling climate finance to Civil society through the Indonesian climate change trust fund, the Indonesian Environment Fund and development funds with self-management - one lesson learned from civil society which accepts climate change trust funds is there are very complicated administrative requirements that don't enhance accountability but deter access to financing. We find that accountability can still be achieved with an administrative system that is simpler.

The other important input about **Harmonizing the INFF with the Tax agenda**, to mobilize domestic financial resources through individual tax revenues requires public confidence in the integrity of the state apparatus. In addition, the wealth tax agenda needs to be synergized with INFF so that tax justice is also beneficial for development programs.

The last, the **Effective and inclusive monitoring and evaluation and learning mechanisms need to be in place for INFF**, the excellency so far, the process of monitoring the implementation of Human rights and UNCRPD has become a kind of model that can strengthen accountability and improve implementation at the national level with the involvement of the international community, our inputs maybe this can also inform the reporting and financing process of INFF; it is also to strengthen the coordination and collaboration in the country between government and civil society as we will sit together to make joint follow up to improve the gap from the previous year; I thank you.

### **3rd Intervention - LEO ATAKPU**

« The further promotion of the INFFs is problematic until the key concerns are resolved. This would mean:

Changing the discourse on the role of INFFs in Financing for Development

a. The paramount importance of tackling systemic global economic issues must be recognised and addressed with urgency. UN Member States and international organisations should never present INFFs as the solution to financing challenges in countries in the Global South, without also explicitly recognising that these countries face structural constraints which cannot be solved at national level in isolation.

A central role for representative civil society organisations and peoples' movements

a. All decisions relating to INFFs – including the initial decision on whether to proceed with an INFF at all – should be made with full participation of rights holders, usually through the intermediary of representative civil society organisations and peoples' movements, particularly those representing highly marginalised constituencies. An enabling civic space should be recognised as an essential precondition for such participation to take place. The distinctive role of representative civil society organisations and peoples' movements should never be conflated with the role of other stakeholders such as the private sector through 'multi-stakeholder' processes.

Enabling free choices on whether and how to implement INFFs

a. Global North countries and international organisations should not promote INFFs to Global South countries, but rather should allow peoples of the Global South the freest possible choice about whether they wish to adopt INFFs. In particular, 'development' partners should not offer funding for INFF development without also offering the option of funding for alternative initiatives better suited to local circumstances and priorities (e.g. South-South capacity building, or initiatives that do not focus on capacity building at all).

b. Global South countries that do choose to develop INFFs should be free to choose – in full consultation with representative civil society organisations and peoples’ movements – which external stakeholders, if any, to involve in the INFF process; and which tools and guidance are useful for their context. There should be no presumption that countries choosing to implement INFFs will include development partners in any oversight bodies, nor that they will implement DFAs.

#### Rebalancing INFF policy options away from risky reforms

a. The INFF guidance should be updated to make prominent the binding nature of countries’ obligations under UN treaties, including on human rights and the environment.

b. The INFF guidance should emphasise much more frequently that INFF decision making is fundamentally a political exercise, no matter how scientific the details may seem. This can help mitigate the risk that political choices go undebated due to a misperception that they are purely technical.

c. The risks around INFFs’ approach to growth and private sector finance, and around some of the specific tools – should be flagged much more prominently. The UN may wish to consider removing some of the most problematic tools from the INFF guidance altogether.

d. Future versions of the INFF guidance should seek to include the most diverse possible range of methodological approaches and tools, going beyond the current focus on tools from international financial institutions and international organisations to explore heterodox approaches that have been trialled in different countries, qualitative norms from different parts of the UN human rights architecture, and proposals from civil society organisations. At the same time, the guidance should recognise that – especially in under-researched areas such as financing the rights of minorities – existing tools may be incomplete, making it particularly important to complement formal tools with other more iterative and participatory approaches to financial strategy making that involve under-represented groups directly.