

The FfD Chronicle

CIVIL SOCIETY FINANCING FOR DEVELOPMENT MECHANISM | APRIL 22, 2024 | YEAR II | ISSUE 7

What should be achieved in FfD IV?

A CIVIL SOCIETY CHECKLIST FOR MEMBER STATES

- Agree on a UN Framework Convention on International Tax Cooperation to comprehensively address tax havens, tax abuse by multinational corporations and other illicit financial flows.
- Agree on a UN multilateral legal framework on debt that would comprehensively address unsustainable and illegitimate debt, including through extensive debt cancellation.
- Establish an international public credit rating agency at the UN that could provide long-term ratings as well as counterbalance the influence of private credit rating agencies.
- Agree on a UN Convention on International Development Cooperation, including establishing a mechanism for the fulfilment of the trillions in unmet 'aid debt' owed to the Global South through decades.
- Elaborate a UN multilateral agreement for a coordinated and permanent termination of Investor State Dispute Settlement (ISDS) mechanisms that has empowered transnational corporations to sue governments in confidential tribunals on a range of issues including debt, tax and climate action.
- Establish a UN intergovernmental process to review development outcomes of public-private-partnerships, blended finance and other financing mechanisms established to promote a 'private finance first' approach to infrastructure and public services.
- Establish a UN member-state led global technology assessment mechanism to fill the vacuum in the governance of digital technologies, including digital finance technologies, and assess their impacts on society, the environment and people.
- Establish a UN intergovernmental process to review the governance of MDBs and build more inclusive, transparent, accountable and democratic MDBs.
- Ensure fiscal space and scale up international cooperation for decent jobs creation and universal social protection in line with SDGs and ILO standard.
- Ensure human rights and gender equality as cross-cutting framing.

E.U. AFTER DARK

AS WE HAVE ALL REPEATEDLY HEARD, THE EU IS very committed to tax fairness and multilateralism, and fully recognizes that "National approaches alone are unlikely to succeed; global action is needed to tackle global challenges and provide the global public good of an international tax environment that is efficient, effective, fair and transparent" and that "common international standards are developed in an inclusive and participatory manner" (quote: eu's own "Collect More – Spend Better" Framework).

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MESSAGE FROM THE SPRING MEETINGS

NOT SURE ABOUT YOU, BUT WE remember Monterrey, twenty-two years ago, that energy coming from the global south clamoring for the UN to step up in democratising global economic governance, initiating the Financing for Development process toward coherent, rights-based norms and actions to create policy space for developing countries to sustainably finance their own development.

We're not there yet. We're in fact quite far from it. We've just been in Washington DC, monitoring the IMF and World Bank Spring meetings and the G20 Finance Ministers meeting. (Continue on p. 2)

E.U. AFTER DARK

from p.1

With this in mind, it makes perfect sense that the EU countries – together with all the other UN Member States – engaged constructively and successfully in the negotiation, and consensus adoption, of an outline and modalities for the new UN Tax Convention Committee in February 2024.

However, once the web cameras were turned off and the (non-public) negotiation of the FfD Outcome document started, “someone” suddenly blocked the negotiations and raised objections against paragraph 24, which includes a reaffirmation of the support for the work of the UN Tax Convention Committee, including its outline and modalities. Much to our shock and dismay, the FfD Chronicle has heard that that “someone” might be none other than the EU (or should we write “Eeew!?”).

Firstly, this obviously raises major concerns about whether the EU and its Member States are negotiating in good faith. It is really high time for them to demonstrate that this is the case!

Secondly, it illustrates the importance of calling upon all UN Member States to engage constructively in the process toward developing a UN Framework Convention on International Tax Cooperation. This is exactly what paragraph 24 (which the EU has raised objections against) does!

Thirdly, it serves as an important reminder of why live-streams and public transparency in UN negotiations is absolutely crucial, not least to ensure that governments behave fairly and negotiate in good faith. But at least on this point, there should be good news in the fact that EU is deeply dedicated to, and actively working for, democracy and public transparency... ain't that right, EU???

As we head towards the first ever EU-hosted FfD Summit, it is high time for all governments, including those that are hiding behind the EU flag, to walk their talk, negotiate in good faith and stop obstructing progress!

ABOUT THE CSO FfD MECHANISM

CSOs have been involved in the FfD process from the very beginning. Their coordination body is the CS FfD Mechanism, which is an open civil society platform including several hundreds of organizations and networks from diverse regions and constituencies around the world. CS FfD Mechanism’s core principle is ensuring that civil society can speak with one collective voice.

MESSAGE FROM THE SPRING MEETINGS (from p. 1)

They, the international financial institutions, give the impression that they rule the international financial architecture. But if you observe closely you will realise that it is just a cover up. They are really there to make sure everything is in the hands of the markets (financial markets to be more accurate) and that states, both in the North and the South, implement the policies to ensure private sector profits, de-risking and guaranteeing when necessary, eliminating subsidies for the people but maintaining tax breaks for corporations, lending for infrastructure projects for the benefit of extractive industries and global north investors. Take the debt crisis: the situation is getting worse every day, and their only response is let it be, wait and see, the Common Framework will work eventually, lend more ... don't change anything! Meanwhile private bondholders secure billionaire profits and borrowing countries apply austerity, dismantle public services and exploit their natural resources to pay their unsustainable debts.

Eighty years after the Bretton Woods Conference one thing should be evident: if we leave the economic governance in the hands of the IMF, World Bank and G20 Troika, not only are we leaving it in the hands of asset managers and wealthy investors, we are condemning the global south peoples and the planet to inequality, poverty and collapse.

Types of Headaches

Migraine



Hypertension



Stress



EU blockers



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