



Financing for Development Forum 2024

Overall theme: Enhancing on the path toward the Fourth International Conference on Financing for Development

Panel Discussion 1: The Road to FfD4 Lead Discussant Intervention

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Good morning, thank you for the opportunity to be the lead discussant in this session as was indicated my name is Chenai Mukumba. I am from the Tax Justice Network Africa and am speaking on behalf of the Civil Society Financing for Development Mechanism.

The Bretton Woods Institutions and the major multilateral institutions were established long before developing countries were in existence. These institutions were established in the 1940s just as many developing countries were starting to gain independence. The wave of independence in Asia and Africa, for example, took place between the 1940s and 1960s and as a result, the majority of developing countries were absent at the decision-making tables where the rules and institutions governing the global financial architecture were made.

In civil society we like to say if you're not at the table you're on the menu – and this was the case. As a result, the rules that were established to govern the financial architecture were subsequently developed in favor of the countries that were present then. And we see this in the rules that govern the international debt architecture, the international trade regime, the global tax space.

And so against this background and context, what we need to ensure remains at the center of discussions on financing for development is the question of international economic governance reforms.

So, as we look forward, we need a reaffirmation of the Monterrey Consensus understanding of financing: structural and systemic reforms that strengthen the policy and fiscal space of developing countries in advancing their structural transformation agendas. The focus needs to be placed on rectifying the existing structural inequalities and unfair division of labor.

Our current reality is one of the net transfer of financial resources from developing countries to developed ones and a current global division of labour that traps many developing countries into commodity-dependent economies, with profound implications in terms of import-dependence and limited opportunities to attain the SDGs.

And so we need to avoid being trapped into “financing SDGs” as this can serve as a distraction from the multiple dependencies that trap the Global South.

We need to retain the FfD4 as a space for decisions that are mostly focused on governance re-architecture, with a focus on democratising global economic governance and establishing a normative framework to re-regulate the global economy. This is the most important thing rather than trying to infuse new narratives and policy inclinations in the existing set of institutions that have been large contributors to where we are today.

And so, given that a big focus of this is institutional ecosystem redesign, we must ensure that the process is firmly driven by Member States, not only in terms of outcome drafting, but also in terms of

the way the preparatory dialogues are constructed and organize. And so what does this look like:

- Prominence to intergovernmental dialogue and negotiation
- Avoiding organizing expert-drive conferences and other similar preparatory sessions
- And the IATF to be at the receiving end of Member States deliberations

The negotiations should include, from the very start, the need to strengthen the follow-up process of FfD4, ensuring clear landing pads in terms of:

- Strengthening of the annual follow-up cycle that can build further beyond what is agreed at FfD4 rather than have FfD outcome as ceiling
- Clear mandated processes that may depart from FfD4 onwards
- Clear date for FfD5
- Rethinking of the role of the IATF

And then lastly, I cannot conclude without saying this, it is essential to guarantee transparency and civic accountability of the negotiations process to ensure substantive opportunities for civil society to observe/track negotiations and engage with Member States in accordance with well-established FfD modalities. Thank you very much.

