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**CIVIL SOCIETY  
FINANCING FOR  
DEVELOPMENT**  
Mechanism

# The FfD Chronicle

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.

## THE GOOD, THE BAD, THE OMISSIONS, AND THE VERY WORST

The FfD Chronicle is sorry for its absence yesterday. We felt we could experiment with what would happen if we just committed to show up and then did nothing, like Global North countries do with Official Development Assistance (ODA) and climate finance commitments. But once again it became clear that commitments require showing up and doing the actual thing, and today we confirm it is much better to deliver. So... did you miss us? We also missed the ODA and climate finance delivery!

Now, back to business. We've come to the very last day of a very exciting First Prep-Com. It was a great start of the process, taking stock and assessing how best to carry out next steps. Many good elements were heard, such as the strong ratification of the Africa Group in seeking a real transformation of the Global Financial Architecture, like a solid UN Tax Convention, aiming at a global legal debt framework, among others. We also heard the interest of countries to finally address the role of Credit Rating Agencies and avoiding the vicious circle in which they have sunk many countries in the Global South; the harm that Investor-State Dispute Settlement have in many dimensions of national policies; the need to strongly reject illegal Unilateral Coercive Measures; and from several countries we heard their interests in centering gender equality, human rights, intergenerational equity, labor rights, the climate emergency, and Indigenous Peoples' rights.

Were there any bad elements? Maybe because things are just getting started, many governments were keeping themselves in known waters, rarely bringing up new ideas to tackle the complexity of the current polycrises.

And yet, many new proposals to renovate the FfD4 space were delivered by civil society, such as the need for a UN Framework Convention on Sovereign Debt or a Convention on International Development Cooperation. Also the proposal to acknowledge the debt that arises from the lack of delivery of ODA commitments (that amounts to trillions of dollars!), the idea of a public UN Credit Rating Agency, and many more. You will soon be able to read all of our statements, the ones we delivered and the ones we couldn't deliver, here: <https://csoforffd.org/>

Were there any key omissions? Despite being thrown around the room quite often, there doesn't seem to be a sound agreement to define what a reform of the International Financial Architecture means. There was also a glaring omission of a comprehensive approach to address the ecological crisis within the planetary boundaries framing. Business as usual would only mean an escalation of the predation and exploitation of ecosystems' integrity and an expansion of the atmospheric colonisation carried out by Global North countries.

For the very worst, we see two competing elements. The FfD Chronicle, true to its efforts to capture effectively what has been said here, saw that there is a fetishizing enthusiasm for both the role of private finance as well as the role of the Bretton Woods Institutions.

It is clear both of them are outdated, and the FfD4 is an opportunity, moving forward, to reimagine solutions that finally show up for the people and the planet, and, more importantly, deliver in an effective manner. Like, one day, ODA and climate finance will have to be delivered fully. Because commitments are made to be met.

# Are we ready for a global financial architecture reform?

We have been closely listening to member states' messages in the general debate and roundtables. Almost all member states agree there is a need to address a reform of global financial architecture (GFA). However, not everyone has the same ideas in mind when referring to GFA reform.

First and foremost, financial architecture reform won't happen by just repeating there's a need for it. Let's be honest, we won't be able to save multilateralism and build an inclusive and transformative new financial architecture if those with the majority of shares and votes at the Bretton Woods Institutions insist on maintaining the status quo.

Building a more equitable architecture means that some must lose power for others to gain power. It means that those that dictated the colonial rules and still today dictate the rules of economic governance at the G7, G20, Paris Club, IMF or World Bank, must commit to a more equitable, democratic and transparent system. And commit does not mean only saying it, it means reversing power asymmetries, building more equitable and democratic institutions, and supporting processes for bringing decision making on financing for development issues back to the UN.

While for some, GFA reform means convening a summit every two years to bring together BWI, G20 and UN, for us it means a total transformation of International Financial Institutions and reclaiming the role of member states at the UN to democratically discuss and establish the rules for economic dynamics.

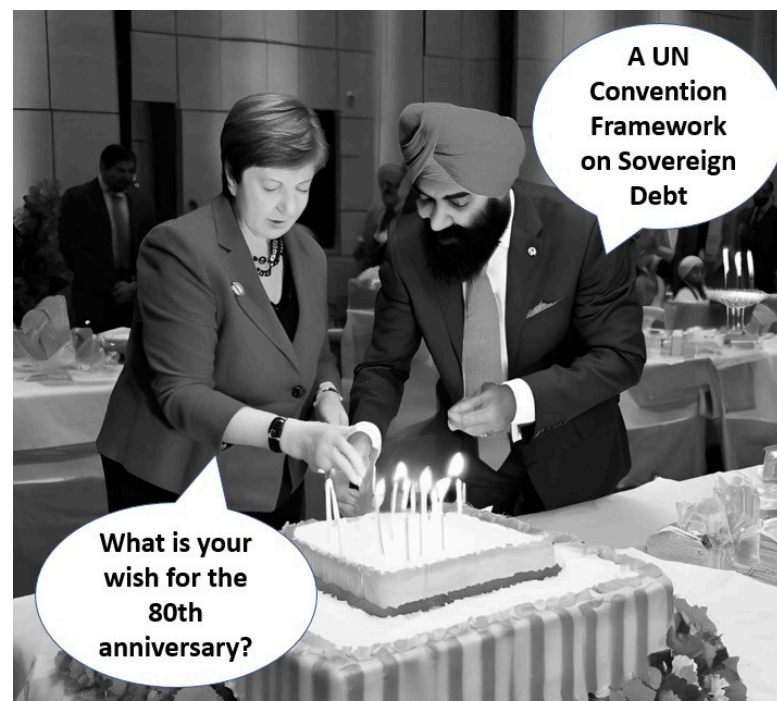
While for some, GFA reform means improving the (failed) Common Framework, for us, it is for member states to discuss and decide, on equal footing, the new debt architecture we need, through a UN framework convention on sovereign debt.

While for some, GFA reform means increasing the resources available for the World Bank and IMF to keep promoting the same failed neoliberal development model, for us, it is a total overhaul of the mission, vision and governance of the Bretton Woods Institutions.

While for some, GFA reform means relying on voluntary principles for the private sector, for us, it is overcoming the deregulation of financial markets and regulating asset management industries and Credit Rating Agencies.

While for some, GFA reform means consulting global south countries from time to time, for us, it means that global issues like tax, IFF or IDC are not decided by a minority at OECD but under UN auspices where all member states can participate on equal footing.

GFA reform is not about finding ways to maintain the logics of capital accumulation and power asymmetries between global north and global south. IFA reform is about how we totally transform the financial and economic dynamics, rules and institutions in order to protect life, dignity and wellbeing for all, social reproduction and the preservation of ecological integrity. Global north countries should get ready to give up power to commit to a real transformation of the global financial architecture.



## SEE YOU IN NEW YORK ... AND SEVILLA!

For New York and Sevilla, we need to build a path with real transformative ideas. We cannot let the geopolitical challenges define us. FfD4 can emerge as a fertile ground to promote a strengthened international arena. The FfD Chronicle is ready to trust the process with all of you, delegates, and, most importantly, to trust in each and every one of you to play your part towards a renovated and stronger multilateralism that dares to include economic and global justice at the heart of it.