



Preparatory Committee (PrepCom) for the Fourth International Conference on Financing for Development (FfD4) First session, Addis Ababa, 22-26 July 2024

Statement by Jennifer del Rosario-Malonzo, IBON International on behalf of the CS FfD Mechanism during the Multi-stakeholder round table 5: International Development Cooperation, July 25

Initial respondent input – International development cooperation

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1. Civil society is asserting the importance of FfD4 as a process to democratise global economic governance and the IFA. It offers possibilities of addressing questions of power. In the int'l public fin architecture, it offers the chance to correct asymmetries between a large number of countries of the South and a smaller number of powerful countries who lead the various multilateral bodies that continue to dominate the development cooperation system and the MDBs.
2. We wish to tackle the governance question through a proposal towards Spain: **A UN Convention on International Development Cooperation**, a new normative framework consistent with and grounded in the Right to Development.
 - a. A Convention, which hopes to reshape global IDC governance under UN auspices, could advance greater legitimacy from greater representation of global South countries in decision-making. In recent years, changes to the rules that have shaped ODA accounting and policy—to count PSIs, debt relief, for instance— have been made behind closed doors among a small group of countries that have specific foreign policy or private sector interests when it comes to development cooperation, and which have eroded ODA's mandate away from its original vision.
 - b. This proposed reform would recognise that development cooperation is not charity but an obligation better understood as reparations to the global south. It would include converting the unmet ODA commitments, in the trillions, as a debt owed to the global south; defining a mandate for development cooperation to address inequalities and structural transformation; and bringing the effectiveness agenda back to the UN.
 - i. **SSC:** At present the international governance of development cooperation, whether north-south, south-south, triangular or otherwise is needlessly fragmented and should be addressed, reformed and reimagined. A UN member-state space could respond to the need to ensure coherence between all forms of development cooperation as a normative space that brings together all relevant actors under one roof to shape policy and take decisions. South-south cooperation is distinct from traditional development

cooperation and is by its nature grounded in solidarity. Nevertheless, there is still a need to ensure that South-South cooperation aligns with the development priorities of the countries where it is deployed – and so the principles of effective development cooperation also apply to SSC

3. The question of governance is also relevant to **MDB reform**. Towards FfD4, we call on the **UN to establish an intergovernmental process to review and transform international financial institutions and Multilateral Development Banks**, leading to an overhaul of the international public finance architecture. We recall that the Bretton Woods Conference of 1944 was actually a *UN* Monetary and Financial Conference – 80 years of BWIs is a good moment for the broader membership of the UN to reclaim governance of MDBs. Eighty years on, the prevailing Northern dominance of the major MDBs, particularly the WB, has led promoted the chorus of a “financing gap” to be filled by Northern private finance, which refuse to account for how Southern countries’ power over their own resources and development paths have been blocked by the undemocratic architecture itself. These realities are why we assert that MDB reform is not largely about more money as such, and self-initiated reform faces the limits of realities of Northern power over MDB governance.
4. We highlight the **primacy of public finance** especially in the deployment of development cooperation.
 - a. The primacy of the public finance and public sector also applies in financing **climate action**, and ensuring the public sector’s policy space over climate response—for peoples’ needs and not the imperatives of the private extraction of critical minerals for Northern demand.
5. We reaffirm the **relevance of the effectiveness agenda, including effective development cooperation**. We remind member-states that the origins of this agenda can be traced to the Monterrey Consensus where the principles of ownership, accountability, inclusion and results were first introduced. The effectiveness agenda is at a crossroads – since reaching its peak with the Busan Partnership Agreement the waning commitment and enthusiasm for this important agenda is palpable—and the UN has a role to play in revitalising this agenda, which we encourage Member States to take on.