



Preparatory Committee (PrepCom) for the Fourth International Conference on Financing for Development (FfD4) Second Session, NY, 3-6 December, Mae Buenaventura, APMDD, and the CS FfD Mechanism Intervention delivered at the Interactive Discussion 6: Debt and Debt Sustainability

5 December 2024

Thank you Madame Chair. I'm Mae Buenaventura, speaking on behalf of the Civil Society Financing for Development Mechanism.

We wish to highlight shared views by Yemen, Egypt, Nigeria, Pakistan, Zambia and the Africa Group on the need for a legally binding UN framework and mechanism on sovereign debt. This speaks to a broad acknowledgement of sovereign debt problems as profound and global, which therefore, calls for substantive, long-term solutions that are arrived at through democratic, transparent and inclusive processes, with both lenders and borrowers at the table.

We are thus concerned that the FFD Elements Paper and Member States endorse the further strengthening of the G20 Common Framework for quicker, fairer and deeper debt resolution, despite evidence to the contrary. The G20 Common Framework goes no farther than seeing the debt problem as an issue of liquidity, when clearly it is a problem both systemic and structural in nature. Several Member States, among them, the Netherlands, France and the European Union, also lauded the Common Framework, even as it excludes crisis-hit middle-income countries, and continues to fail in providing timely debt relief measures and significantly reducing debt burdens.

As stressed yesterday, FFD4 is not an end in itself, for it is in fact, the beginning of a multilateral endeavor to embark on bold and transformative actions to address the polycrisis holistically, in keeping with the spirit of Monterrey.

Promoting the G20 Common Framework, which is short-term, narrow in scope, and lacks clarity and predictability, can potentially undermine the credibility of the 4th FFD Conference in paving the way towards arriving at durable and strategic solutions to the debt problem. Given fast-deteriorating conditions especially in debt-burdened countries of the Global South, and the hopes pinned on transformative actions from FFD4, this is a risk that FFD4 cannot and should not take.

Thank you.