



**Third Preparatory Committee (PrepCom) for the Fourth International Conference
on Financing for Development (FfD4), NY, 10-14 February, 2025**

February 13, 2025

**Ranja Sengupta, Third World Network on behalf of the CS FfD Mechanism
Intervention delivered at the Trade as an engine for development section**

Thank you Chair. My name is Ranja Sengupta and I speak on behalf of both Third World Network and the CSO FFD Mechanism.

We strongly support both para 43.k and 43.l on trade-related environmental measures including unilateral trade measures. On 43.l. we urge the UN Members to show higher ambition and call for the immediate termination of unilateral economic, financial or trade measures that are inconsistent with the principles of international law and the Charter of the UN or those that create adverse impact on sustainable development of the target country. Further, any measure premised on sustainability should be based on the principle of CBDR, multilaterally agreed, transparent, democratic, and balance the three dimensions of sustainable development.

We strongly support paragraph 43g. Policy space for resilience building, structural transformation, industrialisation, food security and sustainable development is critical for developing countries and LDCs whose development gap from developed countries continue to be massive. Therefore this paragraph must be reserved exclusively for them, as it was in the elements Paper. In addition, the required policy space cannot be ensured within the current trade rules and commitments. If it was, then perhaps this paragraph would not even be needed. It is essential that trade rules and commitments are reshaped to ensure policy space for pursuing such goals.

We fully support the spirit of paragraph 43h on ISDS reform but call for much higher ambition. Given the adverse impact of the ISDS on the policy space of both global North and global South countries, we think FFD4 offers the opportune moment to reach a multilateral agreement for the coordinated and permanent cessation of ISDS provisions in trade and investment agreements.

We very much support para 43j on the permanent solution on public stockholding as it is long overdue and this will also ensure food security and nutrition, and protect livelihoods of farmers including smallholders and women farmers, across the Global South.

On 44.b, we have some concerns given the significant digital divide between developed and developing countries, and the need for policy space regarding domestic policies related to digital

industrialisation, data, digital taxation in developing countries and LDCs. Therefore they should retain full policy space for domestic policymaking, in a manner that does not undermine but strengthens domestic providers and suppliers of services in these countries.

The full section on LDCs is very pertinent and in particular we agree with LDCs group position in the WTO on a longer transition period for graduating LDCs compared to the measly 3 years that is currently being offered at the WTO. Their own assessment of their capacity to deal with the loss of preferences must be respected and the period should be self-determined.

On regional trade integration under paragraph 43.f, we suggest it be restricted to South-South agreements only in order to promote inclusive growth and sustainable development within developing countries and in their LDC partner countries. There is also the need to ensure that South-South trade arrangements are not undermined by bilateral North-South trade agreements.

FFD4 must aim for a trade framework that is **democratic** and works for **development**. Trade must also work for marginalised communities; women, workers, patients, indigenous communities and in a genuine and effective manner, by addressing real issues and not using these issues for commercial gains.

This also means that for an effective outcome on trade section in FFD4, the process of negotiations must be fair, transparent and participatory and civil society organisations which are intrinsically connected to such communities on the ground must be allowed to fully contribute their expertise, experience and their voices must be heard throughout the process. We believe that this will contribute to and not detract from the Member States' efforts to have a strong outcome from FFD4.