



## **FfD4 Outcome Document Under Silence Procedure: Response by the Civil Society FfD Mechanism**

12<sup>th</sup> June 2025

We, the [Civil Society Financing for Development \(FfD\) Mechanism](#) have reviewed the current FfD4 Outcome Document placed under silence procedure and would like to convey our immediate reactions for the consideration of all UN member states and FfD4 Co-Facilitators.

We are seriously concerned that current text excludes relevant proposals from Global South countries that would ensure an ambitious FfD4 outcome document. This is unacceptable. We are equally worried about the attempt to close and approve an outcome document with compromise language that fully waters down urgent issues.

We will provide a comprehensive assessment of the entire document, but for now we believe it is urgent to focus on those paragraphs that relate to actionable outcomes for which ambition is lowered down to unacceptable levels. We therefore urge member states to reopen negotiations on these paras and restore the level of ambition that is necessary to ensure real changes. Critical subjects, particularly those included below, should be taken to the highest political level of negotiations and agreed in Sevilla, especially if Global North countries continue to block these in New York.

### **II.A Domestic Public Resources**

#### **Concerns with para 27 (d):**

- The paragraph very clearly **reopens an issue that was negotiated in the UN Tax Convention negotiations last year** and has been addressed in a balanced manner at the adopted Terms of Reference (UN Framework Convention on International Tax Cooperation ToR para 22). The ToR constitute a carefully negotiated package, which should not be reopened in the FfD negotiations.
- It is misleading to speak about "ongoing implementation" without mentioning the fact that the largest group of implementers - i.e. the EU - have just started a process aimed at rewriting the rules to accommodate concerns from the US (without consideration to the concerns raised by Global South countries).
- Based on previous experiences, there is a risk that OECD policies which have failed in the North get pushed on the Global South in an attempt to prolong their lifetime. "Technical support" has sometimes been a highly problematic and political tool in this context.
- The para would introduce a biased and unbalanced overview of Pillar Two. With the text as suggested, the UN would endorse the position of mostly Global North countries that claim to implement the rules and want to keep pushing others to follow. But the text fails to reflect the position of the numerous countries that have raised strong concerns about the process under which Pillar Two was negotiated, as well as its outcome. This includes concerns especially on the points related to division of taxing rights and effectiveness (or lack thereof), and for that reason have

rejected to implement Pillar Two. The current picture therefore is that the vast majority of the world's countries do not intend to implement Pillar Two and this paragraph fails to capture this.

- The wording "a minimum level of tax on the income arising in each of the jurisdictions where they operate" could be misunderstood as meaning Pillar Two will ensure that companies pay tax in all the countries where they do business, which is not the case.

We therefore call for deleting para 27(d).

## **II.C. International development cooperation**

The current draft fails to meet the minimum expectations for credible progress on international development cooperation. The draft's failure to meaningfully address systemic governance reforms, introduce effective transparency mechanisms, or adopt binding commitments, risks locking the international community into a status quo that continues to marginalize developing countries and perpetuate asymmetries in global decision-making.

### **Concerns with paragraph 39 (b):**

The limited language in paragraph 39(b), which merely acknowledges a 'coordinating' role for the UN, is insufficient and unacceptable. It deliberately maintains the current imbalance where a small group of developed countries — primarily operating through informal and exclusive fora such as the OECD-DAC — continue to dominate IDC policy setting and resource allocation.

For IDC to serve the development priorities of the Global South, systemic governance reform is non-negotiable. **The United Nations must be granted full and explicit authority as the 'norm-setting' body for IDC**, ensuring:

- Full universal participation and equal decision-making rights for all member states;
- Curtailment of OECD-DAC's disproportionate influence and dominance;
- Negotiation of a legally binding UN Convention on International Development Cooperation, establishing globally agreed norms, principles, and responsibilities;
- UN-led oversight of transparency, monitoring, and accountability frameworks.

Without these measures, the existing governance structures will continue to serve narrow donor interests at the expense of recipient country priorities and sustainable development outcomes.

### **Concerns with paragraph 39 (d):**

The weakening of the Development Cooperation Forum's mandate in paragraph 39(d) is a serious regression. Reducing the DCF's role to knowledge sharing and exchange strips it of any meaningful oversight, accountability, or norm-setting function. This effectively sidelines one of the few truly universal bodies capable of ensuring that IDC governance reflects the voices and priorities of the Global South.

The insertion of new language on a DAC review (paragraph 39(d)(ii)) further aggravates the imbalance, entrenching donor-led structures under the guise of reform. This is contrary to the spirit of democratized

global governance and must be entirely removed or comprehensively rewritten to prevent further consolidation of DAC control.

We therefore call for:

- The full restoration of previous language that mandated the DCF to lead on monitoring, accountability, and norm-setting;
- Clear recognition of the DCF as the primary UN platform for overseeing international development cooperation, under the authority of the General Assembly and ECOSOC.

## **II. E. Debt and debt sustainability**

### **Concerns with paragraph 49 (g):**

We are deeply concerned with the watering down of language in this para from that proposed by Africa Group and AOSIS in the negotiations, calling for a legally binding UN convention on sovereign debt. We call on member states to re-introduce the following para proposed by AOSIS and AG i.e: *“With a view to closing gaps in the debt architecture, we will initiate an intergovernmental process at the United Nations, under the General Assembly in its 80th Session, to establish an international convention, which includes, inter alia, a multilateral sovereign debt mechanism.”*

Despite the clear calls for such a UN convention on sovereign debt by the [Africa Union](#) at the recent AU Conference on Debt and [Alliance of Small Island States](#) (AOSIS), the decision by the co-facilitators to ignore this proposal exposes a clear and unacceptable bias in favour of Global North countries in protection of existing ineffective and undemocratic mechanisms where they hold decision making power.

### **Concerns with paragraphs 47-49:**

We strongly reject these paragraphs that maintain the centrality of the G20 Common Framework, the UN SG Working Group, the GSDR, the Debt Dialogue, and the role of the IMF and WB. The severe debt crises faced by too many countries in the Global South is compounded by a status quo led by the G20, IMF and World Bank, which affirms countries do not need debt cancellation, allows private creditors to drag out debt relief negotiations for years, and leaves countries highly indebted even after debt relief is finally agreed. The present state of affairs allows debt contracts to remain secret, blocks rules on responsible lending and borrowing, and so ensures the repetition of debt crises.

**The current draft, if adopted as is, would represent a missed historic opportunity to realign the international financial architecture with principles of fairness, inclusivity, and accountability. The stakes are too high for compromise language to be endorsed in New York.** We therefore urge member states to ensure the FfD4 Outcome in Sevilla remains relevant, ambitious and responsive to the massive challenges we are facing today as humanity and international community, genuinely reflecting the interests of all nations — not only a privileged few. Anything less will be a waste of time and characterize a complete failure of this multilateral process.

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For more information: CS FfD Mechanism's thematic responses to the first draft can be accessed here: <https://csoforffd.org/resources/response-to-first-intersessionals/> and all submissions to FfD4 can be accessed here: <https://csoforffd.org/conference/2025-conference/cso-contributions/cso-ffd-conference-submissions/>