



**CIVIL SOCIETY
FINANCING FOR
DEVELOPMENT**
Mechanism

ECOSOC Forum on Financing for Development (FfD4)

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Intervention delivered at the Ministerial session ‘2026 in-depth review: International financial architecture and systemic issues’, Transforming the international financial architecture: Priorities for reform.

- 1. Acknowledgement of the Current Geo-Political Impacts on Victims.** I want to begin, Moderator, by acknowledging with deep sadness and sorrow **ALL** the victims of **ALL** conflicts around the world as we gather here today. Victims whose only fault was to be alive at a time when tyranny and impunity reign supreme while defense of the vulnerable secondary to the bottom line and needs of the few. We cannot have any conversation here this week without formally recognising the unnecessary deaths of innocent men, women, and children.
- 2. Direct and indirect impacts of prevailing International Conflicts.** The prevailing conflicts have both direct and indirect impacts to countries where the conflicts are being perpetrated and beyond given the interlinkages of the global value and supply chains. **Energy, Food, Industry, and Finance are combining to provide yet another perfect storm for developing countries, especially in Africa.** Higher **fuel** and energy prices are being felt across many parts of Africa hitting the poorest hard. **Food production** due to disruption in the fertilizer ecosystem means food production disruptions, higher prices, and induced shortages. **Trade distortions** due to slow down in exports and reducing export earnings affect government balance of trade foreign currency earnings which are critical for funding national budgets. Trade disruptions affect companies revenues and production chains that

result in lower production and possible job losses. As countries, especially in Africa, deal with constrained fiscal space, these **conflicts will deepen fiscal challenges** being experienced leading to a **worsening debt situation** and diversion of resources for development.

3. Design of the International Financial Architecture. As we have debated in this chamber on several occasions, the international financial architecture is not designed to address the challenges of yesterday, today, let alone tomorrow. We have seen this recently during the WTO Ministerial, the Spring Meetings last week not offering anything other than usual cautions, and all the while macroeconomic instability in developing countries continue to grow. The international financial architecture designed for only periods of prosperity for the few is not capable of withstanding shocks. **We need to start thinking about another round of debt suspension/relief, access to grant finance, and suspension on the use of credit ratings on countries whose outlook is being measured by factors and actions they are not directly involved in. Risk bias from externalised shocks should not compromise the ratings of African countries. The launch of the African Credit Agency will be a good counterbalance to these kinds of biases over time.**

4. Africa's deepening crisis. Africa's debt stock is around \$1.2 trillion, a quarter of its GDP is allocated to external debt servicing, high cost of international capital and credit rating downgrades is creating an unsustainable domestic balloon both in volume and cost. More countries are allocated more to debt servicing than to social sectors while ODA cuts are being replaced with increased military spending in developed countries. **Africa countries continue to bear the brunt of the medium and long term impacts of these conflicts and the inability of the international financial architecture to provide the adequate interventions.**

5. Governance versus Accountability. The Seville Compromiso put forward a set of reforms to reaffirm international tax cooperation, advance reforming the international debt architecture, and address systemic issues such as regulating credit rating agencies, amongst others. These governance proposals were advanced by the Africa

Groups, the Alliance of Small Island States, and the G77. But there is a **difference between having governance frameworks as per the Compriso, and the accountability of the agents tasked with implementing and respecting these frameworks.** We are witnessing the systematic and deliberate erosion of the international governance frameworks on a daily basis. It puts us to task as to what we mean about “actions to strengthen global economic governance” or “What principles should guide the evolution of regulatory and supervisory cooperation to address emerging systemic risks”. Without accountability, frameworks will be challenged as we observed from the UN General Assembly adopted a landmark resolution (spearheaded by Ghana) declaring the transatlantic slave trade the "gravest crime against humanity". 123 countries in favor, 3 against, and 52 abstentions. We can no longer talk about reform, we need to up the ante, and the Africa Group, yet again, is showing why it is at the heart of Rule Making.

Moderator, as I conclude, I would encourage this house to listen to the famous song “War” by The Temptations and later Edwin Starr, that says it is good for absolutely nothing! Thank you.