

**NGO talking points at Informal Consultations on the
Contents of the Outcome Document of the Doha Review Conference**

June 16, 2008

Mr. Co-Chairs- thank you for this consultation and the opportunity to speak. I am Daniel LeBlanc. I represent VIVAT International and the NGO Committee on Financing for Development.

We strongly support the proposal made this afternoon by the Rio Group to establish a follow-up Forum of the International Conference on Financing for Development and strengthening the Secretariat of the Financing for Development Office in order to be able to provide the appropriate services for this Forum.

Preventing capital flight and strengthening international tax cooperation

The latest crises and dynamics in the international financial system have shown that the rapid growth of global capital flows does not automatically go hand in hand with a corresponding increase in means available for poverty eradication and the achievement of the Millennium Development Goals (MDGs). There is need for a world-wide co-ordination and co-operation regarding tax matters and this requires institutional strengthening. For as yet, there is no intergovernmental forum at global level that addresses taxation issues. In the short term, the “UN Committee of Experts on International Co-operation in Tax Matters” should be upgraded to an intergovernmental body, e.g. a functional commission of the UN Economic and Social Council (ECOSOC), to this end. In the longer term, an independent International Tax Organisation ought to be created as a Specialized Agency of the United Nations.

Sustainable solutions to the debt problems

The debt relief initiatives so far have brought no lasting solutions to the debt problems of many countries. Governments ought to adopt further measures at international level to overcome debt problems where they remain or return in order to prevent the countries just relieved of debt from slipping into a new vicious circle of indebtedness. Current debt management provides for the official creditors simultaneously being plaintiffs and judges vis-à-vis the indebted countries. There is still no impartial procedure at international level to solve problems of excessive indebtedness. In 2007, the UN Secretary-General pointed to this deficit in his report: *“The international financial system is incomplete and insecure without a sovereign debt workout mechanism and a new effort needs to be launched in this regard. (...) The increase of concessional and non-concessional lending, including by emerging creditors, would point to the need for work on an internationally accepted debt-workout mechanism which involves all creditors. Countries thus need to agree on a set of principles for resolving potential debt crises that provide for fair burden-sharing between public and private sectors, and among debtors, creditors and investors.”* Therefore, governments should work out a model of a fair and transparent arbitration procedure for debt transformation under the umbrella of the United Nations. Such a procedure ought to provide for the participation of all government and private creditors and guarantee an impartial decision-making process.

We also consider it very important that the Decent Work Agenda for All and Gender Equality be particularly taken into account as cross-cutting issues, amongst others. Thank you, Mr. co Chairs.

--Submitted by Carol Brandt – Vice-Chair, NGO Committee on Financing for Development