

Your Excellencies, thank you very much for the invitation to speak in this important meeting, both on behalf of Oxfam and our colleagues in the Civil Society Group on Financing for Development.

Oxfam was able to participate in two of the [six discussion groups](#), and we would like to thank the Governments of Canada and Jamaica, and the UNDSG for recognizing the importance of these issues but also the importance of involving civil society in these discussions. Civil society is asked to be involved in consultations like these – which feel more like token ‘insultations’ – but this process feels more meaningful.

On **illicit financial flows**, as Kristalina Georgeiva highlighted, the covid19 pandemic has exposed some of the sicknesses and weaknesses in the global economic order – and it is important to recognize illicit financial flows are one of those underlying conditions that is making the impacts of this pandemic much worse for some countries.

It cannot be right that Ghana for example has lost about \$1bn revenue through illicit financial flows, more than the country’s entire health budget. This is not only a Ghana problem of course. Left unchecked, illicit financial flows will accelerate fiscal crises in almost every developing country – and widen the gap between them and the developed world, which we have seen is spending far more on recovery.

Oxfam is a member of the Addis Tax Initiative and would like to endorse the policy recommendation to support the post 2020 ATI mandate. We believe this will **shift current development cooperation approaches** to support building equitable tax systems. But we need more than cooperation, we need new tax rules that can reverse the inequality in the current design of the international tax system, and break the barriers to more fairly tax capital and wealth. We can't afford a recovery based on exacerbating tax competition and it is just not acceptable that some countries can block global reforms because they prioritize domestic or corporate interests. We think that the pandemic should be the chance to adopt a bold new approach to the current tax system - to governance, equity and accountability. We join our civil society colleagues and call for a UN Tax Convention to comprehensively address tax havens, tax abuse by multinational corporations and other illicit financial flows through a truly universal, intergovernmental process at the UN.

Beyond illicit flows, we welcome the menu of policy options being discussed today but would urge colleagues to be bolder:

1. We need to be bolder to stop the haemorrhaging of money from developing countries through **debt repayments**. We echo the call for extensive debt cancellations and the establishment of a Sovereign Debt Workout Mechanism at the UN to support comprehensive, systematic, timely and fair restructuring of sovereign debt. But in the meantime, we need to ensure private creditors and MDBs stop collecting payments, and to expand the DSSI and turn into a binding initiative. We join our civil society allies and push for a liquidity injection commensurate with the level of need among developing countries through a new allocation of Special Drawing Rights (SDRs)

2. Bolder on **access to COVID-19 vaccine**. We don't need one that is affordable, we must commit to a vaccine that is FREE and accessible to all. We join the call from more than 140 experts and leaders who have called on a People's vaccine against COVID-19. Any new vaccine will be one of the most important global public goods of our generation and we need a financing mechanism to make sure it is free and accessible.
3. We need to be bold on **aid**. We are nearing the 50<sup>th</sup> anniversary of the 0.7% commitment on official aid and if ever there was a time for governments to meet this pledge, this is it. And it is deeply worrying that many aid donors are cutting back.
4. It may feel like a second order priority for now, but we need bolder action on addressing the **climate emergency** and make sure that our Covid response supports a greener future. We support the policy options suggested to update and translate Nationally Determined Contributions (NDCs) into specific policies and investment plans integrated into national budget and planning processes and financial support away from fossil fuels and deliberately towards renewable energy generation that increase access for those in poverty.
5. Finally, let me finish where I started and end on how important it will be to be bold on the **inclusive nature** of this process. I hope delegates will have received the [letter](#) from our civil society group on Financing for the Development calling for a UN-centred process to agree ambitious responses to the pandemic and remove barriers to socio-economic transformation – which we hope will lead to an [International Summit on Economic Reconstruction and Systemic Reform](#) early next year.

Your excellencies, this pandemic has exposed deep, structural problems with our global economic system, deepening inequalities and increasing vulnerability for many people. The solutions we discuss today should focus us on transformative policies, tailored to provide short term solutions, with long-term impact. And it is a chance to be bold.

Thank you very much.

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