

Informal Interactive Hearing for Civil Society
The Third International Conference on Financing for Development

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Input to Roundtable Discussion 3:
Systemic issues, including global economic governance and external debt

Thank you for the opportunity to contribute to this key discussion. I speak as member of the WWG on FfD that is also part of the broader FfD CSO group. The FfD process has the potential to make an important contribution to the transformative, systemic changes that are needed to achieve economic justice and a world where human rights and freedoms, environmental sustainability and gender justice are a lived reality for all people and the planet. As world leaders prepare for the final outcome of FfD3, I want to provide some recommendations on how best to surmount the financing challenges to achieve development goals by addressing three of the systemic issues arising from the failure of the current economic system.

Overarching, let me first of all remind though that development and macroeconomic policies and strategies are never gender neutral. Policies that are gender sensitive, ensure women's empowerment and address asymmetric power should get systematically and consistently ensured globally.

1. Overhaul of the current financial system

The framework for enhancing the coherence and consistency of the international monetary, financial and trading systems in support of development needs to prioritize the promotion of social objectives and policies over narrow financial objectives and, as a short term solution, democratize the governance of the voting system in international financial institutions.

Concerning the zero draft, it does not give sufficient emphasis to the enormous, negative impacts of financial crises caused by instability in international financial systems on development, equality and human rights, particularly women's human rights. The draft identifies Bretton Woods Institutions as important actors in the response to the financial crises, without considering their role in contributing to crises. The FfD3 outcome document should call on international financial institutions to not only be inclusive and democratic in their governance but also be coherent and aligned to human rights and the sustainable development goals.

The UN's leadership must come out of the FfD3 conference stronger to lead the necessary rights-based pro-sustainable development economic and financial reforms, in particular responding to issues of global macroeconomic policy including its social and ecological dimensions.

2. Global policy coherence for development and human rights

Secondly, it is very concerning that global market liberalization, deregulation and privatization continue to be promoted as the solution to sustainable development as is evident in the current Zero draft. And yet past experience tells us that these same policies have contributed to deepened inequalities and affected women and girls disproportionately, posing obstacles to human rights, environmental sustainability and self-determined sustainable development broadly.

The ongoing global economic incoherence between, on the one hand, commitments to eradicate poverty and tackle inequalities and, on the other hand, policy prescriptions that promote or require market liberalization and privatization work at cross purposes and against human rights obligations. The recognition of consistency among policies in the zero draft is thus welcome, however a mere "invitation" is not enough. Global incoherencies and inequities must be overcome including in trade, finance and investment, as well as combating corruption, illicit flows of funds, trade mispricing and tax evasion.

3. Financing for gender justice and women's rights

Thirdly, the July conference will provide a historic opportunity to insist on financing that ensures the fulfilment of all people's human rights and that is gender responsive. An ambitious agenda for achieving women's rights and gender equality must be matched by ambitious resources. We are thus concerned that there is no mention of dedicated resources in the zero draft to advance women's human rights, also as this presents a regression to what was achieved in the process thus far. Similarly, the zero draft limits the call to mainstream gender equality into economic and finance policies, rather than development policies in all its facets and at all levels for the full realization of women's human rights and gender equality.

All countries and donors should establish robust systems to track allocations for women's rights and gender equality through disaggregated data and take action to address areas of underinvestment in women's rights, gender equality and women's empowerment. Achieving the full realization of human rights, including women's rights, gender equality and women's empowerment is central to any sustainable development agenda. This must be an end in itself. References in the zero draft to ensure women's equal rights and their empowerment are thus welcome. However, the inclusion of phrases that instrumentalize and commodify women are unacceptable in that they reduce women's rights to a business case as if to say with no economic gain, there would be no need to realize women's full human rights. Moreover, concrete commitments are needed to the full realization of women's rights, gender equality and women's empowerment as well as the establishment of effective accountability mechanisms for all stakeholders towards this end.

On measuring development, the UN should take seriously the need for better approaches to measuring progress that go beyond short-term economic indicators such as GDP to include measures of human rights and women's rights protection and promotion, social and environmental wellbeing, and emphasise how significant inequalities, including gender inequality can be addressed. Given the growing recognition that all forms of development financing have specific threats and

opportunities for women's rights, this vital agenda must be fully integrated into FfD negotiations and outcomes.

Finally, with the zero draft in mind, achieving economic justice and sustainable development is not principally a technical challenge but rather one of political will. The challenges to global human- and women's rights, gender justice and sustainable development demand urgent and bold actions by all stakeholders. It is up to you all to now make sure that the potential for transformational, systemic change that the FfD process still holds becomes a reality.

+++ For further statements from the Women's Working Group on Financing for Development please see:

<http://wgonffd.org/publications-2/> +++