Public Services International
Internationale des Services Publics
Internacional de Servicios Públicos
Internationale der Öffentlichen Dienste
Internationell Facklig Organisation för Offentliga Tjänster
国際公務労連

Informal Interactive Hearing for Civil Society
The Third International Conference on Financing for Development
United Nations
New York City
April 9, 2015

Panel 3: Systemic issues, including global economic governance and external debt

Respondent Remarks: **Mr. Richard Darko Amparbeng**
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1. The UN's Financing for Development process is both timely and critical given the 2008 global financial crisis and the ongoing failures to overcome its devastating and lasting impacts, especially for those communities and countries that have shouldered the biggest burdens during the recovery period.

In Africa, the financial crisis and its aftermath have led to rising unsustainable debts, the erosion of decent work opportunities, costly privatization schemes, and threats to our fiscal stability.

2. Public Services International (PSI) is committed to engaging the Financing for Development process to ensure that we do not make the same mistakes that caused the financial crisis or prolong its impact through poorly formulated privatizations of state owned enterprises and public-private partnerships that effectively transfer greater risk to the public sector and threaten fiscal stability.

In Africa, the crisis prompted the wanton sale of state owned utilities in Nigeria, Rwanda, Uganda, Kenya, and now we are facing the same privatization threats to our public utilities in Ghana. We urge that official debt sustainability assessments truly reflect the public liabilities that such privatization schemes and public-private partnerships impose upon the governments of member-states.

3. Public Services International is also engaged in the Financing for Development process to guarantee that national development plans and actions of developing countries are supported and assisted by developed countries through a stronger global partnership for development that strengthens the delivery of public services rather than simply privatizes them to benefit influential and too often corrupting multinational enterprises (MNEs).

In Africa, unfortunately bilateral and multilateral initiatives to privatize electricity in such countries as Ghana favors particular multinational

enterprises, opens the door to the corruption of policymakers and regulators, erodes workers rights to form a union and collectively bargain, and undermines the energy security and social protection of the most vulnerable and marginalized communities.

4. We emphasize that multilateral lending to debtor and developing countries should not be used to bail out private creditors and finance capital flight. Moreover, such lending should not directly or indirectly benefit business firms who implement or advise on tax avoidance and evasion strategies.

In Africa, through illicit financial flows that redirect domestic resources to tax havens abroad, many times through tax avoidance and evasion strategies, the region loses up to $50 billion USD annually. In Ghana alone, we lose up to 15% of our Gross Domestic Product through such capital flight and illicit flows. These outflows jeopardize the delivery of essential and quality public services everywhere.

5. More than any other experience, the recent Ebola outbreak in West Africa was a systematic failure of global economic governance and multilateral lending that too often focused on privatization and profits rather than building effective public health prevention and primary care services where they are needed the most. Clearly, financing for equitable and sustainable development must first and foremost protect citizens from the risks and threats that only the public sector can effectively address through quality public services accountable to citizens and their governments.

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