

# Towards the Third International Conference on Financing for Development: Old Tensions and New Challenges Emerge in Negotiating Session

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# Introduction

On January 28-30, 2015, members of DAWN attended the First Drafting Session of the document for the third International Conference on Financing for Development (FfD3) in the United Nations Headquarters. The importance of gender equality and women's empowerment was repeatedly mentioned by different governments and members of the civil society organizations. Our direct participation in the session allowed us to identify new and old conflict areas between different blocks of countries, and to assess the level of ambition of the process, in a year characterized by the convergence of intergovernmental negotiations in multiple fronts.

The objective of this article is to review the main elements of the FfD process in order to set current debates in a context, identify the main conflict areas between the different blocks of countries, and introduce some of the recommendations we at DAWN have been promoting with the purpose of reorienting global economic governance and development patterns towards economic, ecological, and gender justice.

## 1. A Little Bit of History to Understand Current Debates

After the financial and economic crisis that hit Asia in 1997 and the launch of the Doha Development Round of the World Trade Organization (WTO) in 2001, developing countries promoted the organization of the International Conference on Financing for Development, in Monterrey, Mexico, within the framework of the United Nations. The objective was to discuss, in a multilateral forum, how to overcome systemic inequalities and how to finance the full implementation of the agreements resulting from the UN conferences in the 1990s and the objectives included in the Millennium Declaration.

In 2002, the governments adopted the "[Monterrey Consensus](#)", establishing measures to increase domestic financial resource mobilization, increase the amount and quality of Official Development Assistance (ODA), solve the external debt problems, and orientate international trade as an engine for development, among other objectives. Within this framework, governments recognized that, in an increasingly interdependent global economy, a holistic approach to the interconnected national, international and systemic challenges of financing for development—sustainable, gender-sensitive, people-centered development—in all parts of the globe is essential (paragraph 8). With this aim, governments agreed to promote the consistency of global monetary, financial, and commercial

systems supporting development, and that, at the same time, “the gender perspective must be mainstreamed into development policies at all levels and in all sectors” (paragraph 64). In this sense, a new partnership between developed and developing countries and a systemic reform of the global economic governance were key to transfer commitments from paper to practice.

In 2008, the governments met at Doha to analyze the implementation of the different areas of the Monterrey Consensus, and advance in new commitments in a context of multiple crises. The [Doha Declaration on Financing for Development](#) recognizes that there has been progress in some areas, but inequality has widened and interrelated global challenges, such as increase food insecurity, volatile energy and commodities prices, climate change and a global financial crisis, as well as the lack of results in the multilateral trade negotiations and a loss of confidence in the international economic system, are obstacles that have not been overcome (paragraph 3).

Besides reaffirming the full, efficient, and timely implementation of the Monterrey Consensus, governments reiterated the need for gender mainstreaming into the formulation and implementation of development policies, including financing for development policies, and for dedicated resources. Governments took another step by stating: “we reaffirm our commitment to eliminate gender-based discrimination in all its forms, including in the labour and financial markets”, and to promote “gender-responsive public management, including, but not limited to, gender budgeting” (paragraph 19).

Doha's main result, despite the resistance of some developed countries, was to agree on the development of the Conference on the World Financial and Economic Crisis and Its Impact on Development at the highest level, within the United Nations.

In June 2009, governments met again and approved [the Outcome of the Conference on the World Financial and Economic Crisis and Its Impact on Development](#). This document recognizes that developing countries did not cause the global economic and financial crisis, but are nonetheless severely affected by it (paragraph 3), and that many of the main causes of the crisis are linked to systemic fragilities and imbalances that contributed to the inadequate functioning of the global economy (paragraph 9).

Governments agreed that the United Nations, on the basis of its universal membership and legitimacy, is well positioned to participate in various reform processes aimed at improving and strengthening the effective functioning of the international financial system and architecture (paragraph 2). Additionally, governments stated that “our response [to the crisis] must focus on creating jobs, increasing prosperity, strengthening access to health and education, correcting imbalances, designing and implementing environmentally and socially sustainable development paths and having a strong gender perspective. It must also strengthen the foundation for a fair, inclusive and sustainable globalization supported by renewed multilateralism. We are confident that we will emerge

from this crisis stronger and more vigorous and more united" (paragraph 10). Once again, the international cooperation partnership between developed and developing countries, and the role of the United Nations as the privileged multilateral space to promote the necessary reforms, were reaffirmed.

Though in Doha (2008) and in the Conference on the World Financial and Economic Crisis and Its Impact on Development (2009) the governments decided to strengthen the intergovernmental follow-up process regarding the agreements, there has been little progress in advancing the monitoring mechanisms in the FfD agenda. Developed countries' resistance to discuss the international economic and financial architecture within the framework of the United Nations continues to be a great obstacle for the implementation of the agenda.

After intense negotiations, it was agreed that the third International Conference on Financing for Development would take place on July 13-16, 2015, a few months before the adoption of the Post-2015 Development Agenda. This proposal was promoted by the developing countries grouped in the G77 and China, based on the fact that it is not possible to establish new development agendas without first analyzing the systemic obstacles related to the lack of implementation of the existing agreements.

According to the resolution on the modalities for the third International Conference on Financing for Development (FfD3), said Conference will assess the progress made in the implementation of the Monterrey Consensus and the Doha Declaration, reinvigorate and strengthen the financing for development follow-up process, identify obstacles and constraints encountered in the achievement of the goals and objectives agreed therein, as well as actions and initiatives to overcome these constraints, and address new and emerging issues, taking into account the synergies among financing objectives across the three dimensions of sustainable development, as well as the need to support the United Nations development agenda beyond 2015 (paragraph 7, [resolution A/RES/68/279](#)). The preparatory process for the FfD3 includes informal discussion sessions, regional intergovernmental meetings, dialogs with the civil society and the private sector, and three discussion and negotiation sessions on the Addis Ababa outcome document<sup>2</sup>.

DAWN has actively participated in the financing for development process from the beginning and is currently contributing to the FfD3 through the [written input from the Women's Working Group on Financing for Development](#) and the [Civil Society Response to the Elements Paper](#) which have been shared with the delegates of the governments in the United Nations. Additionally, DAWN attended the First Drafting Session of the FfD, sharing the main recommendations with the governments and the allied organizations of the civil society, and contributing to the debate through public statements in different

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<sup>2</sup> For detailed information on the activities calendar, visit  
<http://www.un.org/esa/ffd/overview/third-conference-ffd.html>

sessions<sup>3</sup>.

## 2. Conflict Areas: Old Debates, New Strategies?

Just as in previous meetings of the FfD as well as in the drafting process of the Sustainable Development Goals (SDG), the core issue has to do with who assumes the costs of the transition to a more sustainable and equitable development, how are these costs assumed, and which reforms in the international economic and financial architecture allow, or would allow, a change in that direction.

The Monterrey Consensus, the Doha Declaration, and the outcome document of the Conference on the World Financial and Economic Crisis and Its Impact on Development establish different measures that the developed countries should implement to remove the structural obstacles to development. Notwithstanding this, in the First Drafting Session of the FfD there were only a few references to these measures. On the contrary, new strategies and arguments are used to elude these responsibilities. Later in this document there are a few examples based on the discussions in the session.

For countries both from the North and the South, a challenge is added to this issue: what does "development" mean and which is the place of gender equality and women's rights in the analysis of the problems, as well as in the measures necessary to overcome the systemic imbalances and to mobilize resources.

On this regard, the documents of Monterrey, Doha, and the Conference on the World Financial and Economic Crisis refer to the mainstreaming of gender perspective into development policies, but there has been little progress in the implementation of development policies tackling the roots of power inequality based on gender and their intersection with other categories, such as race/ethnics, socioeconomic status, age, territories, sexual orientation and gender identity. In the First Drafting Session of the FfD, governments from different regions have referred to gender equality and women's empowerment as never before during this process. A statement on gender equality in the financing for development process was submitted on behalf of twenty countries, mainly developed countries. Twenty years after the adoption of the [Beijing Declaration and Platform for Action of the Fourth World Conference on Women](#), it seems that the challenges in the debates on development are no longer the

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<sup>3</sup> Statement delivered by Veronica Serafini Geoghegan, Development Alternatives with Women for a New Era (DAWN) at the session on Domestic and International Private Finance: <http://www.un.org/esa/ffd/wp-content/uploads/2015/01/1ds-dipf-statement-DAWN-Jan2015.pdf> and statement by Nicole Bidegain Ponte, Development Alternatives with Women for a New Era (DAWN) at the session on Building synergies with the post-2015 development agenda and other issues session: <http://www.un.org/esa/ffd/wp-content/uploads/2015/01/1ds-synergies-statement-DAWN-Jan2015.pdf>

visibility of women and gender equality, but to avoid the instrumental approach and to face the structural obstacles that limit policies' space to orientate development strategies towards gender equality and the respect of women's and girls' rights. Later in the document there are also some examples on this regard.

## 2.1 The Form Affects the Content

The co-facilitators of FfD3, George Talbot, Ambassador of Guyana, and Geir Pedersen, Ambassador of Norway referred to the need to have a "transformative" agenda to finance sustainable development. A week before the session, the co-facilitators circulated the *Elements paper* as an input for the First Drafting Session.

The document submitted for consideration has an Overview and seven Building Blocks: i) Domestic public finance; ii) Domestic and international private finance; iii) International public finance; iv) Trade; v) Technology, innovation and capacity building; vi) Sovereign debt; and vii) Systemic issues. It also includes a section on monitoring, data, and follow-up, and a list of selected policy ideas in the Annex.

It was widely noticed that the structure of the Monterrey Consensus and the Doha Declaration was not respected. The external debt chapter was reduced to sovereign debt, and a chapter specifically for private finance is created, combining domestic and international finance.

The International Conference on Financing for Development is supposed to evaluate the progress achieved in the implementation of the Monterrey Consensus and the Doha Declaration, and to point out the obstacles, as well as the measures needed to overcome those limitations. The question is, how can this be done if the main document includes only a some aspects to be monitored and categorizes them in a different way? DAWN and other allied organizations have asked during the session that the outcome document of the FfD3 is based on the structure of the Monterrey Consensus, since it is the only way to be able to fully monitor the progress and to add, in a coherent and balanced way, other elements to the chapter on new challenges and emerging issues.

The Group of 77 and China stated that the Addis Ababa zero draft should go back to the structure of the Monterrey Consensus and clarify the synergies with other processes, such as post-2015, but also respect the singularities of each agenda. Notwithstanding this, the developed countries wanted to promote the *Elements Paper* as a basis for the negotiation and focused their statements —as will be stated below— in the relevance of the private finance sources (in contrast to public sources and the responsibilities of international cooperation) and the action at a domestic level (in contrast to global and systemic reforms). They also supported the inclusion in the document of a section on monitoring, data, and follow-up, aligned with their proposal to reduce the FfD agenda to the ways of implementation of the post-2015 development agenda and promote a joint monitoring mechanism.

## 2.2 The Emphasis on Private Finance Flows erodes the Responsibilities of the States

The European Union (EU), the United States, the United Kingdom, Australia, and Switzerland, among other developed countries, stressed the promotion of the private sector in the FfD process. Similar arguments were presented in the negotiations of the SDGs last year and in the current negotiations of the post-2015 development agenda. The EU stated that the private sector “is the principal creator of long-term jobs and promoter of sustainable development”<sup>4</sup>. The countries' joint statement on gender equality states that “the private sector is an important partner in advancing the gender equality and the women's economic empowerment agenda: Firstly as employers advancing family friendly policies, equal pay and opportunities for promotion and secondly as investors in women, by putting their philanthropic dollars into initiatives and causes that support women's participation and empowerment in the economy and society”<sup>5</sup>. The role of the States in the creation of a favorable business environment is also stressed<sup>6</sup>. Within this framework, Foreign Direct Investment (FDI) and Public-Private Partnerships (PPP) are promoted as the main finance mechanisms.

However, links between the private sector, jobs, gender equality, and sustainability are not automatic and it is necessary to resort to data supporting said assumptions. Among academics, and also in government agencies, there is vast evidence that explains said links<sup>7</sup>. For instance, a recent ECLAC study shows that in Latin America, *greenfield*<sup>8</sup> investment represented 60% of inward FDI between 2003 and 2013. It is estimated that these investments only accounted for about 5% of net job creation in the region during that period. According to the study, “for every US\$ 1 million invested, only one job is created in extractive activities, while the same investment creates two jobs in natural-resource-intensive manufacturing. These sectors accounted for about 47% of amounts

<sup>4</sup> See report: <http://www.iisd.ca/vol23/enb2307e.html>

<sup>5</sup> Joint Statement of Albania, Austria, Bulgaria, Cabo Verde, Czech Republic, Denmark, Finland, Germany, Israel, Japan, Liechtenstein, Netherlands, Norway, Papua New Guinea, Romania, Sweden, Switzerland, Thailand, the UK and Iceland made on January 30, 2015: <http://www.un.org/esa/ffd/wp-content/uploads/2015/01/1ds-gender-Statement-Iceland-Jan2015.pdf>.

<sup>6</sup> See report: <http://www.iisd.ca/vol23/enb2307e.html>.

<sup>7</sup> See, for example, Williams, Mariama (2003), *Gender Mainstreaming in the Multilateral Trading System: A handbook for policy-makers and other stakeholders*. Commonwealth Secretariat, New Gender Mainstreaming Series on Development Issues; Salvador, Soledad (2005), “El impacto de las multinacionales sobre las mujeres en América Latina”. Serie Documentos de Trabajo, n.º 113, CIEDUR, Montevideo; and Azar, Paola, Alma Espino y Soledad Salvador (2009), *Los vínculos entre comercio, género y equidad. Un análisis para seis países de América Latina*. Capítulo Latinoamericano de la Red Internacional de Género y Comercio (LA-IGTN).

<sup>8</sup> *Greenfield* investment refers to completely new investments, such as the creation of new plants. It is important to remark that the FDI concept also includes the privatization of public companies, as well as mergers and acquisitions of firms of domestic capitals that only imply a change in assets' property.

announced in investment projects during the 10-year study period" (ECLAC, 2014, 142). At the same time, "no evidence was found to confirm impacts on other aspects of employment quality, such as greater job stability or a greater participation of women in the workforce" (ECLAC, 2014, 143).

The Group of 77 and China stated in many opportunities that private finance is mostly profit oriented, and cannot be substitute for public finance<sup>9</sup>. In the January 29 session, the G77 stated: "We should avoid putting all the burden on private sector, which is not primarily concerned with poverty eradication, good governance, human rights, environment, etc."<sup>10</sup>. Regarding FDI, the group stressed the importance of focusing on the quality of the FDI, transfer of technology and knowledge and the promotion of production chains. Without this and other kind of requirements, it seems to be a problem to affirm that these private flows can contribute to a fair and sustainable development.

Prioritizing the involvement of the private sector in the provision of services and infrastructure can have negative impacts. As it has already been widely documented, the profit-driven nature of the private sector can threaten the availability, accessibility, adaptability, acceptability, and quality of infrastructure and social services, increasing inequalities, including territorial and gender inequality. This can be due to three facts: firstly, because to provide services in rural, remote areas or informal settlements is not "cost-efficient"; secondly, because women are overrepresented in low-income households and are most affected by increased tariffs; and thirdly, because women absorb the cost of adjustments by increasing the burden of unpaid care work. The increase of women's unpaid care work also impacts their possibility to engage in economic, educational, social or political activities.

Regarding PPPs, several civil society organizations have warned about the risks of this finance method. An OECD (2014) report that includes lessons learned on the implementation of PPPs in Europe was quoted several times. This report states that private participation in infrastructure can be complex, slow, and subject to frequent renegotiation and restructuring, which is bad for the public part of the partnerships. If certain modalities have been a great failure in OECD countries, then it would be necessary to perform a careful analysis to establish if they could be successful in less developed countries, where costs recovery is more difficult<sup>11</sup>. During the session, DAWN pointed out that empirical evidence regarding the positive effects of PPPs is minimum and specific under certain variables<sup>12</sup>. Thus, it is not possible to promote PPPs as the privileged mechanism

<sup>9</sup> G77 and China statement, January 28, 2015: <http://www.un.org/esa/ffd/wp-content/uploads/2015/01/1ds-gd-statement-G77-Jan2015.pdf>.

<sup>10</sup> G77 and China statement, January 29, 2015: <http://www.un.org/esa/ffd/wp-content/uploads/2015/01/1ds-dipf-statement-G77-Jan2015.pdf>.

<sup>11</sup> Official Support for Private Sector Participation in Developing Country Infrastructure, Advisory Group on Investment and Development, May 28, 2014, DCD/WKP (2014)2. Available at: <http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=DCD/WKP%282014%292&docLanguage=En>.

<sup>12</sup> Organization for Economic Cooperation and Development (OECD) (2014). Official support for private investment in developing country infrastructure. Independent Evaluation Group of the

for development finance and service delivery, specially in providing education and health services.

Ultimately, both developed and developing countries have emphasized on the importance of investing in women. Sweden even referred to the approach promoted by the World Bank and the IMF on gender equality as "*Smart economics*"<sup>13</sup>. Australia, Germany, and even Rwanda, have mentioned the importance of the financial inclusion of women.

The *Smart economics* approach contradicts, to a large extent, the women's economic rights approach, since it reduces the rights to an economic empowerment agenda, promoting access to specific markets such as financial services, ITC, and others. In the session, we noted that empirical evidence shows that access to credit has contradictory effects on women, since many programs have had negative results, such as excessive indebtedness and worsening of poverty conditions, especially when they do not go together with financial education and access to other productive resources from a rights perspective which promotes women's autonomy. Additionally, we cannot talk about the financial inclusion of women without dealing, at the same time, with the regulation of the financial sector and the need to orient it towards ethical investments, in sustainable and productive activities that promote long-term development. It is also impossible to promote the financial inclusion of women as an economic empowerment strategy without dealing with the structural challenges of labor markets in terms of occupational segregation, labor gaps based on gender, job quality, and social (and unequal) organization of care.

### **2.3 The Emphasis on Domestic Issues Dilutes the Principle of International Cooperation and Common but Differentiated Responsibilities<sup>14</sup>**

The resistance to mention measures agreed on by the developed countries, which they must fulfill at an international level in terms of allocation of 0,7% of GDP to ODA, mobilization of additional funds to face climate change, advancing in technology transfer under mutually agreed on conditions, reduction of

World Bank (IEG-WB) (2012). World Bank Group Support to Public-Private Partnerships: Lessons from Experience in Client Countries, FY02–1202–12. Hildyard, Nicholas (2014). Public-Private Partnerships, Financial Extraction and the Growing Wealth Gap: Exploring the connections. The Corner House.

<sup>13</sup> See publications of the World Bank: Gender Equality as Smart Economics: A World Bank Group Gender Action Plan (Fiscal years 2007–10); World Development Report 2012: Gender Equality and Development; and the publication of the International Monetary Fund, Staff Discussion Note Women, Work, and the Economy: Macroeconomic Gains from Gender Equity, September, 2013, among others.

<sup>14</sup> The Common But Differentiated Responsibilities principle was proclaimed in the Rio Conference in 1992 (Principle 7 of the Declaration) and it can be applied to negotiations on finance. As it is clearly stated in the joint document of the civil society, this principle captures the duality of universality and differentiation, which implies that the FFD agenda must be developed around the universality of the issues and the differentiation in the action. See the civil society response, page 3: <https://csoforffd.files.wordpress.com/2015/01/cso-response-to-ffd-elements-paper-28-jan-2015.pdf>.

agricultural subsidies, flexibilization of intellectual property rules, and democratization of economic governance on finances, debt, trade, investments, and taxes, has a back side in the stress placed on the domestic resource mobilization. This resistance is clear when the EU affirms that the *Elements Paper* gives more prominence to international action, and underplays the principle of national ownership and the primary responsibility of every country for its own development<sup>15</sup>. This position can be identified in the statements of the United States, Australia, Japan, and others.

Regarding domestic public resource mobilization, the *Elements Paper* refers to the need to expand the tax base, including the formalization of the informal sector. Some countries, such as Slovakia, support this proposal stating that there is a need to significantly broaden the tax base, in order to allow governments to pay for social services and basic infrastructure.

However, from an equity and human rights perspective, tax base should be expanded in a progressive way. This would imply a reform in tax structures, shifting the burden to progressive direct taxes, avoiding gender bias. It is also necessary to review indirect taxes in order to reduce their regressive bias and revert their higher relative burden in sectors with less contributory capacity.

On this regard, the twenty countries' statement on gender equality acknowledges that taxation policy is not gender neutral and can contain discriminatory biases against women. All twenty governments state that distribution implications and gender impacts of tax policies should be analyzed to dismiss any negative effect on specific groups, such as poor women. In line with the recommendations of the [Report of the Special Rapporteur on extreme poverty and human rights on fiscal policy](#), the governments stated that fiscal policies need to promote a more equal distribution of unpaid care work and provide clear incentives for women's participation in the work force.

The governments also stated that gender concerns should be included in budgeting and spending policies, and referred to the need to promote the publishing of budget breakdowns according to expenditure allocated to tackling gender inequalities and have appropriate and inclusive mechanisms for the participation of women.

This last proposal was also promoted by Germany when, in its statement on national capacity, the country stated that the *Elements Paper* should more strongly reflect the need to invest and promote capacity-building in women's organizations as well as in micro, small, and medium enterprises that focus on gender equality and the empowerment of women and girls, as important opportunities for reducing gender-based inequalities<sup>16</sup>.

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<sup>15</sup>EU statement, January 28, 2015: <http://www.un.org/esa/ffd/wp-content/uploads/2015/01/1ds-gd-Statement-EU-Jan2015.pdf>.

<sup>16</sup>Germany statement, January 28, 2015: <http://www.un.org/esa/ffd/wp-content/uploads/2015/01/1ds-dpf-Statement-Germany-Jan2015.pdf>.

The governments of Uruguay and Tonga made an even more comprehensive call, stressing gender equality and women's rights as the core idea of the FfD process. Tonga promoted the inclusion in the *Elements Paper* of the [measures adopted in the last Commission on the Status of Women](#) (CSW 58). Among these, it highlighted: "Support and institutionalize a gender-sensitive approach to public financial management, including gender-responsive budgeting across all sectors of public expenditure, to address gaps in resourcing for gender equality and women's empowerment, and ensure all national and sectoral plans and policies for gender equality and the empowerment of women are fully costed and adequately resourced to ensure their effective implementation" (paragraph 42, bbb CSW58).

It also stressed the need to "increase and ensure the effectiveness of financial resources across all sectors to achieve gender equality, the empowerment of women and the realization and enjoyment of women's and girls' human rights through mobilization of financial resources from all sources, including domestic resource mobilization and allocation and increased priority to gender equality in official development assistance, and the creation of voluntary innovative financing mechanisms, as appropriate" (paragraph 44, yy CSW 58)

DAWN and other allied organizations have been promoting that the human rights and gender equality approaches should guide economic policy at a domestic level, removing gender bias in fiscal policies, increasing public resource mobilization for equality, and securing the participation of feminist and women's organizations in the process. We think that the above mentioned recommendations must be included in the draft of the Addis Ababa Document. However, it is important to go back to the Monterrey Consensus, which recognizes interconnections at different scales of globalization, and, as a result, show that domestic public resource mobilization can only be increased at a great scale if certain global rules that limit national policy space are addressed.

In this sense, it is very important to point out that the *Elements Paper* includes a measure regarding the commitment to human rights impact assessment of all trade and investment agreements and the elaboration of binding environmental, social and human rights standards as a way of aligning investment agreements with sustainable development policies and plans. These measures should be retain in the zero draft and promoted as core recommendations towards Addis Ababa.

Additionally, the twenty countries that signed the joint statement on gender equality agreed on the recommendation of the CSW 58 to work towards ensuring that global trade, financial and investment agreements are conducive to the promotion of gender equality and the empowerment of women and the human rights of women and girls (paragraph 42 jj, CSW 58). This is great progress and should be included in the Addis Ababa Document.

However, in order for this recommendation to be effective, it is necessary to

perform said evaluations both *ex ante* and *ex post facto*, and governments promoting this measure must not put up any resistance regarding the promotion of an intergovernmental body to establish rules on tax cooperation, debt as well as democratic dispute settlement between investors and sovereign States. They should also not oppose to the establishment of a binding multilateral instrument to monitor the fulfillment of environmental standards and human rights obligations by the private sector, in line with the resolution approved by the Human Rights Council on this regard<sup>17</sup>.

## **2.4 The Emphasis on Multi-stakeholder Partnerships Affects Partnerships between Developed and Developing Countries Based on the Principle of International Cooperation**

Another way to blur the boundaries of the Principle of International Cooperation and Common but Differentiated Responsibilities is to promote the “Multi-stakeholders partnerships” approach, which implies the involvement of the private sector in the implementation of the agenda through public-private partnerships (PPP), as was analyzed in section 2.2, in governance, and follow-up.

The Monterrey Consensus stated that “achieving the internationally agreed development goals, including those contained in the Millennium Declaration, demands a new partnership between developed and developing countries” (paragraph 4). However, as we pointed out in our statement during the session, partnership between countries based on the Principle of International Cooperation is threatened when the *Elements Paper* first mentions “partnership” in plural and states that the implementation of the post-2015 agenda will require partnerships between a broad range of relevant stakeholders, leveraging theirs resources and unique skills and advantages.

In this sense, public-private partnerships are not promoted at a national level but at a global level, within the framework of the United Nations. For instance, the Netherlands stated that partnerships such as [Every Women Every Child](#) and [Sustainable Energy for All](#) are valuable examples of the impact of an inclusive partnership approach. Nevertheless, these voluntary initiatives, that have been promoted mainly by the UN Secretary General, along with some companies and countries, generate great suspicion regarding their transparency, approach, ability to add and not replace the role of the States, predictability, and results. They have not been discussed, nor approved, by governments in the multilateral forums of the UN, and promote vertical approaches without a clear link to human rights obligations and action platforms approved by the governments. For example, the “Every Women Every Child” initiative has a mother-child approach in relation to sexual and reproductive health, and nothing is clear regarding its contribution and articulation with the comprehensive policies of rights and sexual and reproductive health that countries must implement within the

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<sup>17</sup> Resolution entitled "Elaboration of an international legally binding instrument on transnational corporations and other business enterprises with respect to human rights" (A / HRC / 26 / L.22), adopted on June 26, 2014 in the UN Human Rights Council in Geneva.

framework of the Action Program on Population and Development. There is also a lack of clear information on the monitoring of the resources announced and the amounts actually disbursed. Thus, as we stated in our statement in the session, before promoting the multi-stakeholders approach, it is necessary to advance in the establishment of an open, transparent, and participative intergovernmental space for the supervision, follow-up, and monitoring of any partnership developed within the framework of the United Nations. It is necessary to set criteria for eligibility as well as dismissal taking into account, for instance, whether any complaints have been submitted against the private actor regarding human rights abuse or violation of environmental standards, including in cross-border activities, and whether the private actor is transparent regarding financial information and fulfills tax obligations in the countries it operates, among other things<sup>18</sup>.

In terms of governance, the promotion of the “multi-stakeholders partnerships” approach could undermine the role of the United Nations and multilateralism, shifting from the “1 country-1vote” type of governance to “1 dollar-1vote”. And it's even worse, since the dollar don't come from official resources, but rather from the corporate sector<sup>19</sup>.

Due to the above mentioned reasons, this approach, which has been promoted as the means of implementation par excellence of the post-2015 development agenda, comes into conflict with the partnership between countries established in the FfD process. Thus, governments must focus on the FfD mandate. The resolution on the modalities clearly states that the Monterrey Consensus and the Doha Declaration provide the conceptual framework, including in the context of the post-2015 development agenda, for the mobilization of resources from a variety of sources and the effective use of financing required for the achievement of sustainable development (paragraph 4, [resolution A/RES/68/279](#))

## **2.5 The Emphasis on the Need of Synergies between the FfD Process and the Post-2015 Development Agenda Can End Up Reducing and Weakening Commitments in Both Fronts**

Developing countries will have to appeal paragraph 4 of the resolution on FfD modalities based on the initiative of developed countries to reduce FfD agreements to the means of implementation (MOI) of the post-2015 development agenda. This strategy is based on the argument on the importance

<sup>18</sup> For more information on criteria, see Statement by Righting Finance at <http://www.dawnnet.org/feminist-resources/sites/default/files/articles/read-full-statement.pdf>.

<sup>19</sup> For more information on the role of the business sector in the United Nations, see Pingeeot, Lou (2014), Corporate Influence in the Post 2015 process

[https://www.globalpolicy.org/images/pdfs/GPFEurope/Corporate\\_influence\\_in\\_the\\_Post-2015\\_process\\_web.pdf](https://www.globalpolicy.org/images/pdfs/GPFEurope/Corporate_influence_in_the_Post-2015_process_web.pdf) and Martens, Jens (2014), Corporate Influence on the Business and Human Rights Agenda of the United Nations:

[https://www.globalpolicy.org/images/pdfs/GPFEurope/Corporate\\_Influence\\_on\\_the\\_Business\\_and\\_Human\\_Rights\\_Agenda.pdf](https://www.globalpolicy.org/images/pdfs/GPFEurope/Corporate_Influence_on_the_Business_and_Human_Rights_Agenda.pdf).

of avoiding duplication, harmonizing both processes, and achieving greater coherence.

Nevertheless, as we stated in the negotiation session, the FfD agenda is more than the means of implementation of the post-2015 development agenda, and not all means of implementation of the post-2015 development agenda can be covered in the FfD negotiations.

FfD is the only process within the United Nations that deals with systemic issues, a pre-condition to achieve SDGs, to establish the right financing framework for the implementation of the post-2015 agenda, but also to generate the structural conditions for the implementation of other agendas that are part of the United Nations and cannot be reduced to the 17 objectives approved, among them, the Human Rights Conventions, the Women's Rights Beijing Platform for Action (BPfA), the Cairo Programme of Action on Population and Development, the Least Developed Countries (LDCs), the Land-locked Developing Countries (LLDC), and the Small Island Developing States (SIDS), etc.

On the other hand, though the EU and the United States referred to the inclusion of non-financial means of implementation in the discussion, this proposal goes beyond the mandate of the Addis Ababa conference, and, besides diverting attention from financial issues, there is a risk of negotiating an agreement that ends up weakening commitments in both fronts. So, it is necessary to find synergies observing the corresponding mandates and expertise of each process as a way to double, and not reducing, commitments in both processes.

### 3. Next Steps

In February 2015, the co-facilitators will be writing the first draft of the Addis Ababa Document based on the discussions of the January session, the contributions of the governments and the different civil society organizations, and, very likely, the *trade-offs* made during the negotiations on the post-2015 development agenda. The first draft will be available at the beginning of March 2015 and shall be the basis for the negotiations, the intergovernmental meetings at a regional level, and the public hearings with the civil society and the private sector that will take place in March and April. The governments will meet again in April 13-17, in the second drafting session of the document.

The mobilization of feminist and women's organizations, both at a national and global level, within the framework of the 20th anniversary of the Beijing Declaration and Platform for Action of the Fourth World Conference on Women, will be essential to influence governments regarding the need to move from a development and global governance based on the market approach to another approach based on gender equality, human rights, and sustainability.

For more information, visit:  
[www.dawwnet.org](http://www.dawwnet.org)



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