Declaration from the FfD4 Civil Society Forum

Sevilla, June 29, 2025

We, over 1000 members of civil society organizations (CSOs), trade unions, movements and networks from around the world, actively engaging in and contributing to the Financing for Development (FfD) process since its inception, convened a Civil Society Forum ahead of the Fourth International Conference on Financing for Development (FfD4). This declaration is therefore both a reaction to the FfD4 Outcome Document – "Compromiso de Sevilla" – and a political statement reflecting the shared recommendations we want to convey to UN Member States and the international community.

The FfD4 is taking place at a time when the world is reeling with multiple crises: growing inequalities within and between countries, unsustainable debt burdens faced by Global South countries undermining the realization of human rights and the provision of public services, structural gender and racial inequalities, continued illicit financial flows – including large-scale international tax abuse by corporations and wealthy individuals, rise in conflicts and militarism, cuts in official development assistance (ODA) and failure to uphold longstanding commitments while trillions are spent on wars and genocide, shrinking civic space, decent work deficit, the worsening triple planetary crisis, widespread hunger and malnutrition, growing fractures in the multilateral trade system, and rapidly declining international cooperation. The Sustainable Development Goals (SDGs) are also largely off-track, with 84 per cent of its targets showing limited progress and even reversals.

These massive challenges we currently face are systemic in nature. Despite their gravity, they are not unsurmountable. They are deeply entrenched in and reproduced by the inequitable design of the current international financial architecture and global economy. Overcoming these global challenges is a political choice that requires an unwavering commitment to justice, equity, democracy and to the overall well-being of people and the planet in a way we have continuously failed to see from decision-makers, particularly those in the Global North, who benefit from the status quo.

By adopting the "Compromiso de Sevilla" at the 3rd session of the 4th Preparatory Committee in New York on June 17th 2025, member states compromised on the ambition the outcome document should have delivered to reflect the urgency of our times. We are also deeply disappointed by the lack of transparency and accountability of the process, which excluded civil society from access to the attributed text as well as from the last rounds of negotiations. This closure of civic space continued up to the Conference in Sevilla, where civil society participation has been sidelined and tokenistic.

Civil society remains deeply concerned by the lack of political will to embrace bold reforms and the blockage of any real progress shown in the negotiations — particularly by Global North countries, which continue to protect undemocratic institutions where they hold the decision-making power. We particularly note with concern the undermining and opposition to the proposal for actionable mandates for the reform of the international debt and aid architectures, which is a precondition to redress the colonial legacies enshrined in the current financial architecture and offer pathways to unlock much needed resources for countries in the Global South to finance their own development priorities.

The "Compromiso de Sevilla" stands as a compromise to the lives of millions of people in the Global South living under the subjugation of unsustainable debt, compounded by the hardest impacts of a climate and ecological crisis to which they contributed so little. Far from being a testament to the success of multilateralism, the compromise text reflects the outcome of a race to the bottom pushed by the Global North. Civil Society Forum participants also raised the alarm on how no real financial justice can be reached without an urgent end to escalating wars, territorial invasions, and genocides - from Gaza to Sudan, Democratic Republic of Congo and more. We reject the militarization of aid and the diversion of development cooperation toward security objectives that perpetuate inequality and harm and demand redirecting military spending toward financing public services, social infrastructure, and environmental resilience.

The time to act is now. If all member states are serious about their claims to support fair, democratic and sustainable development for all and to truly strengthen multilateralism, the FfD4 outcome should have reflected a genuine partnership between rights holders, member states and development partners, based on power sharing, transparency, and accountability, strengthening the integrity and ambition of the financing for development agenda. As it stands, the legacy of Sevilla will be one of exclusion of civil society voices while propping up the corporate capture of development. It is therefore hardly surprising that such an opaque, undemocratic process led to an outcome document that only reinforces the status quo. This must not set precedent for future processes. We will accept nothing less than the commitment to follow-up from Sevilla ensuring meaningful progress in the reform of the international financial architecture.

In what follows, we highlight our overarching concerns about the FfD4 Outcome, followed by our reflections and recommendations on its different aspects.

I. A Global Financing Framework

The current global financial system is failing to address rising inequalities, debt distress, climate and ecological breakdown, and chronic underfunding of public services that affect billions of lives - especially in the Global South. FfD4 is a critical opportunity to push for systemic change.

A new global financing approach must be centered in the Right to Development - every country and every person should have the right to participate in, contribute to, and enjoy economic, social, cultural, and political development, where all human rights and fundamental freedoms can be fully realized. This right cannot be subject to limitations imposed by unjust global power structures which maintain the extraction of wealth and resources from the Global South while prescribing restrictions of their fiscal and policy space. We reject the use of coercive measures which suffocate economies and impact millions of lives in the South, including economic blockades such as the one imposed by the United States over Cuba.
A reform of the Global Financial Architecture must be in line with ecological and climate standards, to promote the stability of the biosphere and bring all planetary boundaries back to a safe zone. The current capitalist system based on the systematic plundering of resources, an exploitative international division of labor, and concentration of wealth for the few has led us to transgress seven of nine planetary boundaries. The economic and financial system should aim to transform the way we produce and consume, while investing in vibrant local economies centered on the wellbeing of people and the planet and to reconstitute the ecological balance.

A renewed global financing framework must apply the principle of Common but Differentiated Responsibilities (CBDR). Countries that have contributed more to global challenges such as climate change and financial instability—mostly wealthier nations—should bear greater responsibility for addressing them. This includes climate and environmental finance to lower-income countries without imposing restrictive conditions and guaranteeing direct access windows, especially for those groups that are in the frontline of the crises. The promotion of debt for nature/climate swaps and market-based mechanisms, as well as the use of public funds to derisk private investment for environmental agendas, represent false solutions to the current environmental crises and would never be enough to tackle them with the urgency needed.

At this critical juncture for FfD, we must not only reaffirm and build upon but also not roll back on agreed international commitments on human rights, gender equality, and sustainable development. A feminist approach to financing for development demands that these cross-cutting issues remain central in all areas of global economic governance. In turn, it becomes impossible to reach gender equality and fulfill human rights without addressing the structural deterrents related to domestic resource mobilization, restructuring global trade, democratizing the sovereign debt architecture, among other FfD core issues. Human rights and gender equality are not secondary concerns, but essential requirements to ensure that resources reach those who need them most—such as women, marginalized communities, and people living in poverty. The right to the highest attainable standard of physical and mental health, including sexual and reproductive health and rights, is non-negotiable. Quality, inclusive, and publicly funded lifelong education and healthcare must be prioritized as a cornerstone of sustainable development. Additionally, social protection systems and floors must be universal, adequately resourced, and designed to reduce inequality, redistribute the unequal load of domestic and care responsibilities, and protect the rights and fundamental freedoms of all, including, but not limited to, workers in the informal economy, Indigenous Peoples, persons with disabilities, communities discriminated on the basis of work and descent, migrants, refugees, forcibly displaced persons and people of diverse sexual orientation, gender expression, and sex characteristics according to an intersectional approach.

Unpaid care work, predominantly done by women, remains a major unrecognized subsidy to the global economy. Unpaid care work also act as a shock absorber, exacerbating gender inequalities in the context of crises. These include Climate Change and environmental pollution, as well as the debt crises which too often lead to austerity: when public services are cut or collapse, women's unpaid care work takes up the slack. FfD should be addressing the systemic and structural constraints (across all thematic areas) to enable all countries to recognize care as a human right and a public good, invest in public integrated care systems, with decent care jobs —including in childcare, elder care, and health services—that are universally accessible and adequately funded. These systems must be designed to correct existing inequalities in who does care work and who benefits from it and ensure the proper recognition, representation, reduction and redistribution of unpaid care work, and reward of care workers.

We also call for the acknowledgement of the historical context of global inequalities. Reparations should be part of the conversation, particularly in relation to the economic and environmental harm caused by colonialism, slavery, and resource extraction from the Global South. This means not just aid, but systemic changes in debt, trade, and taxation policies that continue to disadvantage these regions and marginalized groups. The racial dimension of sustainable development must be acknowledged. FfD4 offers an opportunity to lay out an ambitious and comprehensive set of reforms to the international financial architecture to be decided democratically while ensuring human rights, gender and race equality and ecological integrity. This should include recognition and redress of historical and systemic economic disparities imposed on African countries and communities of African descent in other regions, directly linked to colonial legacies, systemic racism, and structural exclusion perpetuated by International Financial Institutions. We reaffirm the UN International Decade for People of African Descent and underline that financing for development must explicitly confront the racialised economic structures that continue to extract wealth from African countries and communities of African descent worldwide. Reparatory justice, including targeted fiscal measures, redistributive taxation and direct investment for Africans and People of African descent, must be integral to any reform of the global financial architecture.

Public financing must prioritize high-quality essential services - especially health, education, clean energy, water, and sanitation - accessible to everyone, and designed to meet the needs of different groups, including women, youth, older persons, people with disabilities, and rural communities. These services must be backed by stable funding and strong accountability mechanisms. These areas are central to both individual well-being and national development, and should be funded primarily through public means rather than relying on private investment, which often focuses on profit over accessibility.

When it comes to fighting inequalities, the issue of income distribution should be crucial in FfD discussions: over the past 30 years, the world's GDP has quadrupled, but the labour share of GDP has been constantly decreasing. That means that millions of workers worldwide do not earn enough to live in dignity, while the number of billionaires continues to increase. That is why wage policies should be central to the redesign of the global economy: statutory minimum living wages, right to freedom of association and occupational safety and health, along with social dialogue and collective bargaining, are essential to fight poverty and address inequalities. Likewise, we call for systemic and structural approaches to close the gender pay gap: the lack of equal pay for work of equal value is one of the main factors hampering equitable and inclusive labour markets and contributing to the feminisation of poverty.

We should also support alternative models of economic activity that prioritize community needs and the rights of present and future generations over corporate profit. This includes the social and solidarity economy, where cooperatives, mutual organizations, and other community-based initiatives play a larger role in delivering services and creating jobs.

FfD must also strengthen democratic space and civic participation. CSOs, particularly feminist, youth-led movements, migrants, community, trade unions and grassroots groups, must have sustainable, flexible, and direct funding to continue their vital role in advancing sustainable development in all its forms and dimensions. This includes ensuring enabling environments for their work, especially for human rights defenders, free from violence, harassment, abuse, retaliation, imprisonment, or bureaucratic restrictions, online and offline.

For FfD4 to be truly transformative, it must move beyond vague commitments and an overreliance on private finance to fill in financing gaps and instead focus on addressing the structural issues that perpetuate inequality and hinder sustainable development. We express strong concern for how much of the commitments made through the FfD4 Outcome continue to rely on leveraging more private finance as the silver bullet to reach the SDGs.

II. Action areas

A. Domestic Public Resources

A just, fair, equitable, inclusive, transparent and effective global tax system is essential to achieving the SDGs, fulfilling human rights obligations, and securing long-term development finance. Yet for decades, international tax rules have disproportionately benefited wealthy countries, elites and corporations, enabling large-scale tax abuse and the erosion of domestic revenues. This problem has devastating consequences for countries all around the world, but impacts countries in the Global South particularly hard.

The Terms of Reference (ToR) for a UN Framework Convention on International Tax Cooperation (FCITC), adopted in August 2024 by an overwhelming majority of Member States, represents a turning point, a historic opportunity for global tax reform and a key opportunity to create a fairer and more inclusive global tax system that supports all countries, and in particular developing countries, in mobilizing domestic public resources. At the "Compromiso de Sevilla", the UN Member States that have not yet done so, should have committed to endorsing the ToR and engaging in the FCITC negotiations in good faith. This is not only a matter of fairness—it is a matter of economic justice, rights, and sustainable development, as the ToR holds commitments that will promote implementation of the AAAA and the SDGs. This includes commitments to reform the global corporate tax system; fair allocation of taxing rights between countries; taxation of high-net worth individuals; tax cooperation on environmental challenges; and strengthening the links between tax and fulfillment of States' human rights obligations.

The "Compromiso de Sevilla" includes important new government commitments related to advancing the voice and representation of developing countries in the international tax architecture, gender responsive taxation, progressive tax systems, and effective taxation of natural resources, as well as exploring key measures such as a central public database for country-by-country reports and a global beneficial ownership registry. The upcoming UN Tax Convention negotiations will be the litmus test for whether governments are ready to walk the talk and fulfill these commitments by implementing them through strong and effective measures in the future Convention. The Compromiso de Sevilla also reiterates important commitments that are already specified in the Terms of Reference for the future Convention, including strengthening international tax cooperation, fighting illicit financial flows, as well as ensuring effective taxation of high-net worth individuals and fair taxation of multinational corporations.

We note with concern the prescriptive orientation of the FfD4 outcome on national policies in developing countries, when the FfD process should be prioritizing international cooperation. Considering rich countries also have significant problems with tax systems that are ineffective and regressive, "capacity building" of developing countries will not solve the fundamental problems deriving from undemocratic, ineffective international tax governance. Governments should emphasize promoting international tax cooperation to address the systemic issues at the global level, including through the negotiation of a UN Framework Convention on International Tax Cooperation. Therefore, all governments should seize the opportunity FfD4 provides for unified commitment to this UN process by explicitly endorsing the adopted Terms of Reference for this framework convention.

Lastly, we note with concern that language in earlier drafts of the outcome document about "implementing innovative taxes to mobilize resources for sustainable development, including in the form of global solidarity levies" has been stripped from the final draft. Corporate polluters like oil and gas corporations are destroying people's lives and livelihoods as a result of the emissions their products cause, while raking in enormous profits. It is only right that they are held to account through the tax system, and that the revenues are used to support those most impacted by the climate and environmental emergency. Governments should agree to a solidarity levy in the form of a polluting industries' global profits surtax under the UNFCITC. Revenues should be channeled towards global financing obligations under existing UN agreements and mechanisms.

B. International and Domestic Private Business and Finance

In the context of inadequate tax systems that fail to create sufficient fiscal space for financing public policies, over the years the global development agenda has become increasingly focused on creating an enabling environment to attract private (foreign) investors, using scarce public resources to leverage private investments to fill a so-called financing gap to deliver on the SDGs. This agenda – known as "billions to trillions" – has translated into different initiatives and the proliferation of various financing mechanisms. These include the Global Investors for Sustainable Development (GISD) Alliance, a group of leaders of major financial institutions and corporations (including commercial banks, asset managers and insurance companies) from across the world convened by the United Nations Secretary-General to scale up private finance, and promote blended finance, public- private partnerships (PPPs), guarantees and different types of bonds.

We remain deeply concerned with the central role that private finance has taken over the course of FfD negotiations. This is shockingly visible with the outsized role of this year's International Business Forum held alongside the main conference programme, where the highest level of participation of UN member states was officially encouraged. As governments gather for FfD4, the stakes are clear: the global financial architecture is failing people and the planet. Yet instead of rethinking the model, many are doubling down on a deeply flawed and ideologically driven agenda—one that places private finance at the center of development and hides behind the failed "billions to trillions" narrative.

The "private finance first" approach has failed to deliver on its promises and remains woefully inadequate to deliver sustainable development outcomes, to protect peoples' rights to basic services and the environment. Since its adoption as a cornerstone of the AAAA in 2015, it has fueled debt, inequality, and corporate capture of the development agenda - while undermining democratic accountability and the potentially transformative (and developmental) regulatory role of the State, which in response to nationally owned development strategies can promote socio-economic transformation of countries in the Global South. The private finance first model is also failing countries of the North. Yet the model continues, despite empirical evidence of its failure.

Instead of continuing to put forward this agenda as a panacea for fulfilling the Agenda 2030, the FfD process and outcome should have promoted bold mandatory standards and regulatory frameworks to ensure that private investments comply with ILO standards on decent work, responsible business-conduct and due diligence, ensuring the respect of human and labour rights along the entire supply chain, through independent monitoring and redress mechanisms.

Moreover, it is imperative that in the FfD4 follow-up member states make a strong commitment to constructively engage in the ongoing process towards a legally binding instrument to regulate, in international human rights law, the activities of transnational corporations and other business enterprises – the UN Treaty on Business and Human Rights. Robust regulation of businesses, including the financial sector, is needed to ensure consistency with human rights standards and accountability for rights violations, especially to women in the Global South. Regulation should include, among others, social and environmental safeguards; mandatory environmental and human rights due diligence; and democratic and meaningful consultation and complaint processes, inclusive of women, youth, and Indigenous Peoples.

Regarding "innovative" financing instruments, such as blended finance, PPPs, bonds, debt swaps and guarantees, we see they divert already scarce public resources that should support much-needed universal and high quality public services, are more expensive and risky for the public purse and for the people, increasing public debt as well as ultimately private/household debt. They can also cause systemic harm in social areas where market principles don't apply, such as in health, education and water, and come with negative impacts for workers, communities and the environment. They also often lack transparency and undermine democratic accountability.

This chapter misses a key deliverable to elevate evidence-based modalities and uphold the regulatory role of States, ensuring alignment of private business and finance with democratically determined national development strategies and opening possibilities for sustainable industrial policy. The section on private capital mobilisation should have delivered a UN intergovernmental process to review the sustainable development outcomes, the fiscal, labour and human rights impacts of blended finance and other financing instruments established to leverage private finance.

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gies and opening up possibilities for sustainable industrial policy. The section on private capital mobilisation should have delivered a UN intergovernmental process to review the sustainable development outcomes, the fiscal, labour and human rights impact of blended finance and other financing instruments established to leverage private finance. While these modalities have been promoted since 2015 (or even earlier), there has not been a comprehensive assessment of their impact. This would allow for an inclusive discussion on the most appropriate toolkit of policy measures to regulate private investments in the public interest. Globally agreed standards and guidelines are needed, as regulation cannot be left to voluntary approaches and the ability of individual countries to regulate in a context of highly unequal power distribution, including between countries of the Global South and corporations.

C. International development cooperation

We are at a critical juncture in the global development landscape. The ongoing reduction in Official Development Assistance (ODA), shifting rich country priorities, and the persistence of poverty and inequality in developing countries have placed the international development cooperation (IDC) system under immense strain.

Rich countries are slashing ODA budgets and retreating from their responsibilities while increasing their defense spending. Growing fragmentation, coupled with poor coordination, is inflating transaction costs and placing disproportionate burdens on recipient governments. The very foundation of the ODA system is being destabilized.

This crisis is not accidental — it is the result of outdated and imbalanced governance structures. The current system, anchored in the OECD-DAC, no longer reflects today's development realities. A framework controlled by a limited group of donor countries cannot and should not be the sole authority on global development cooperation.

We will continue to call for a fundamental overhaul of the IDC architecture — one that prioritizes the voices, leadership, and experiences of developing countries. The urgent need for a transparent, inclusive, and democratic process under the auspices of the United Nations to redefine the principles, objectives, and governance of international development cooperation does not end with a weakened FfD4 outcome document. Our longstanding call for a UN Convention on International Development Cooperation remains as relevant and urgent as ever. Such a convention would enshrine clear commitments, foster coherence, and anchor development cooperation in the principles of justice and mutual accountability. Such a convention should shift the narrative which underpins ODA from a perspective of charity to one of reparations, recognizing and addressing historical injustices including by ensuring that international development cooperation targets and prioritizes the inclusive development of the most marginalized, such as persons with disabilities, Indigenous persons, and migrants, through an intersectional approach.

We deeply regret to see that the G77's call for the FfD4 Conference to initiate this multilateral process was not heeded. This proposal provided a crucial opportunity to build consensus on a shared understanding of ODA parameters and to develop a new framework that ensures equity, effectiveness, and accountability. Civil society remains deeply concerned by the lack of ambition and blockage of any real progress that was demonstrated in the outcome document negotiations — particularly by donor countries.

We urge the international community to begin implementing the available options provided by the outcome aimed at strengthening the role of the United Nations in development cooperation. This includes ensuring the full implementation of the mandate bestowed to the United Nations Development Cooperation Forum (DCF), including through adequate funding and support. The outcome document from the Sevilla Conference highlights the DCF's potential in coordinating and aligning the various global platforms on international cooperation, helping to create a more coherent and accountable system. The DCF should convene before the end of the year to take stock of recent developments and chart the next steps toward improved and more inclusive governance of international cooperation.

We urge UN Member States to ensure that the follow-up from Sevilla and the FfD process as a whole empowers the United Nations to take on a central role in setting global norms, fostering dialogue, and advancing coherence in international development cooperation, while reinforcing internationally committed goals. We urge the international community to prioritize inclusive development, equity, and non-discrimination in international development cooperation through concrete commitments.

Regarding the inclusion of environmental issues in the final outcome, we consider that the ecological integrity agenda must be comprehensive. Therefore, even though we see the relevance of including language related to different environmental conventions and ecological agendas (such as climate change, biodiversity, disaster risk reduction, oceans, and others), we find a lack of ambition on what has been included in the final document. Given the correlation of the current economic systems and the ecological and climate breakdowns, it is of utmost importance to have a FfD outcome document that considers these topics as cross-cutting issues, proposes solutions and systemic transformations to tackle them, not only regarding funding to advance in these agendas, but recognizing that economic growth without respecting planetary boundaries and human rights is an approach that must change.

It is also important to mention that the inclusion of the principle of Common But Differentiated Responsibilities (CBDR) in the final text is key to guarantee that the FfD process is built on climate and social justices pillars, but we consider unacceptable that Global North countries have pressured Southern countries to abandon proposals linked to deep reforms in the debt architecture in exchange for including a mention to CBDR.

We also regret the exclusion of language that refers to the need to phase out fossil fuels, that is urgent to advance in the climate agenda and to promote a just energy transition process. Also the exclusion of references to the need to scale up public climate and environmental finance by countries of the North that owe the planet a climate and ecological debt, taking into account that these resources should be new, additional to other existing ODA commitments, and grant-based, with no conditionalities, and without increasing the debt burden in the Global South.

D. International Trade

A multilateral commitment to a global trade framework that contributes to development and justice was never as important as today. The massive disorder and uncertainty caused by the current US trade policy stance only shows how fragile and inequitable the multilateral trading system has been, and how the talk of delivering on development has been pure rhetoric. The current crisis in global trade points to the need for bold and ambitious reform of the global trading system that looks beyond the WTO, one that is re-imagined and re-organized by developing countries and Least-Developed Countries (LDCs) under a democratic and accountable forum such as the UN.

FfD4 could have been the best opportunity for this. However, we have been shocked to see the ambition being sunk throughout the rounds of negotiations. Many critical issues for Global South countries such as unilateral trade measures (UTMs); reform of the investor-state-dispute-settlement (ISDS) mechanism; trade policy space for development; the strengthening of special and differential treatment; and the policy control over critical minerals, have all been weakened through continuous attack by Global North countries.

We note with concern a rise of UTMs, including the Climate Border Adjustment Measures and the Deforestation Act, which clearly discriminate against developing countries by unilaterally imposing so-called sustainability standards on their exports, which threaten not only their exports but production processes within their economies. The undemocratic imposition of UTMs also forces them to deviate from their chosen and nationally suitable pathways of sustainability. Such trade measures are designed to perpetuate the economic dominance of Global North countries and their corporations and stand in complete contradiction to the goals outlined by previous FfD agreements. FfD4 should provide a strong tool to stop such Measures but also emphasise that any environment-related trade measure must be multilaterally agreed and based on principles such as CBDR which are the core principles of the UNFCCC, the Kyoto Protocol and Paris Agreement.

The issue of policy space, so fundamental when it comes to FfD, remains extremely weak in the "Compromiso de Sevilla", as it avoids the scope for reshaping trade rules, in particular WTO rules and commitments for generating the necessary policy space for development and undermines the current struggle by developing countries at the WTO. Moreover, trade policy space should be provided as a tool for equity primarily for developing countries and LDCs, not distributed equally to all.

Investor State Dispute Settlement (ISDS) mechanisms and International Investment Agreements (IIAs) remain a critical area of policy reform, given the threat to both developed and developing country governments' policy space for development. The ISDS clause in IIAs allowed foreign corporations to sue national governments in secret international arbitration cases for important policy actions including for sustainable development. This resulted in a chilling effect on national policy space, including climate action, health policies, labour policies, tax policies and most critically, natural resource policies; a reduction in government finances available for social programmes; and governments' ability to safeguard rights of marginalised constituencies such as women in informal and precarious work. Unfortunately, the outcome document does not go beyond “reform” to the much-needed termination of such mechanisms, nor suggest a standstill on the ISDS until the reform process is completed, leaving governments vulnerable to its continuing tyranny.

The arena of digital economy and e-commerce has significant policy implications for developing countries and LDCs, while we witness problematic efforts by developed countries to push them to fully liberalize their entire digital sectors, including data flows. Trade related language must be handled with extreme caution in order to preserve future national policy space across the Global South for digital industrialization policies, retaining ownership and control over national data, addressing the digital divide and retaining the right to regulate activities of global digital corporations including the right to tax them.

The language on agricultural trade is disguised as one leading to progressive reform but fails to recognize the outstanding issues for which developing countries have been fighting for long. The effort is to put all issues including aggressive market liberalization at par and therefore undermine priorities of Global South countries including policy support for protecting domestic production and livelihoods, ensuring food security and defending against unfair foreign competition.

The massive global and corporate interest in extracting and exploiting critical minerals from developing countries and LDCs is increasingly evident. Developing countries and LDCs that are owners of such resources must ensure full flexibility and complete control over their trade and investment polices with regard to their critical minerals. But this idea has been aggressively thwarted by Global North countries in FfD4. Such policy control is necessary for domestic value addition, structural transformation, beneficiation, and for ensuring critical minerals are used for meeting national sustainable development objectives. Moreover, strict rules should be directed towards due diligence of transnational corporations and for enhancing corporate regulation and accountability, while ensuring fair and equitable benefits sharing, as well as social and environmental protection of workers and local communities.

E. Debt

Almost half of humanity, 3.3 billion people, live in countries that spend more on debt payments than on health or education. This dire debt situation which continues worsening in the Global South takes place under a system that is creditor driven, where debt is another colonial instrument that sustains economic power and decision-making in few hands. The debt crisis is at the heart of many of the major problems and challenges facing Global South countries. Used as a weapon to exercise economic and political power over the Global South, unsustainable, unjust and illegitimate debts have massively accumulated and trap our people in a never-ending cycle of debt. No one should be forced to choose between defaulting on their debt or defaulting on the fulfilment of human and environmental rights. We are at a tipping point that requires a long-overdue reform of the debt architecture through a legally binding UN convention that ensures all countries are at the table on equal footing. This is non-negotiable for civil society.

FfD4 could have been the key moment to transform the debt governance landscape away from a status quo led by the G20, IMF and World Bank who insist countries do not need debt cancellation, while allowing private creditors to drag out debt relief negotiations, leaving countries highly indebted even after debt relief is finally agreed. The current scenario enables debt contracts to remain secret, blocks rules on responsible lending and borrowing, and therefore ensures the repetition of debt crises. It is urgent and vital that the international community finally takes bold action to create a new financial architecture that prioritizes the voices, leadership, and experiences of Global South countries.

We deeply regret to see that creditor countries effectively stripped down the outcome document from its remaining ambition on debt during negotiations, especially in the final stages, only to end by disassociating from para 50 (f) calling on the intergovernmental process.
However, Sevilla is not the end point. We will remain engaged and continue to steadily support the efforts of Global South governments that try to achieve ambitious and positive outcomes on debt towards a comprehensive debt architecture reform through a UN Convention on Sovereign Debt which should establish:

- A fair and transparent multilateral sovereign debt resolution mechanism, in order to deliver on faster, fairer and more orderly debt restructurings and cancellation for the borrowing countries.
- Binding principles of responsible sovereign lending and borrowing, and promoting legislation, both in lender and borrower countries, that mandates transparent and fair governance and management of sovereign debts.
- A new approach to debt sustainability framework and analyses (DSAs), ensuring that the assessment is aligned with human rights,

climate and sustainable development needs, including ex-post and ex-ante gender, human rights and environmental impacts assessments and audits to identify illegitimate, illegal and odious debts.

- Automatic debt service cancellation mechanism that protects Global South countries from extreme climate, environmental, economic, health, food and security shocks.
- Major jurisdictions to pass domestic legislation to limit holdout creditors and facilitate effective debt restructuring
- Strengthen measures to curb corrupt lending and borrowing, including through fully utilizing the United Nations Convention against Corruption
- A binding single global debt registry, independent from creditors, to promote transparency.
- Eliminate harmful loan conditionalities such as education, health and other public sector budget cuts or public sector wage caps.

The global debt governance and architecture which has led to repeated debt crises over the past years is built on the legacy of colonialism and imperialism, and we are deeply concerned that dynamics of injustice and power inequality in crucial global policy-making remain as prevalent as ever. It is high time the Global North acknowledges owing an unfathomable debt to the Global South. By supporting proposals to make the debt system work in a fairer and more sustainable way, the FfD process can begin to righting these wrongs in the interest of justice, accountability and sustainability around the world.

F. Addressing Systemic Issues

It is distressing that the FfD4 Outcome reduces Systemic Issues — a fundamental pillar of the Monterrey Consensus — to a narrow focus on the IMF and World Bank. By agreeing to work through the governance structures of International Financial Institutions (IFIs), developing countries remain locked into governance systems that structurally exclude and marginalize them. FfD4 could have been a rare opportunity to rethink and overhaul the international financial architecture as a cohesive, democratic system of global governance. Rather than treating the Bretton Woods institutions (IMF, World Bank, and Multilateral Development Banks) as independent, technocratic bodies, civil society continues to call for them to be brought fully into the UN system — accountable to the UN General Assembly, governed democratically, and guided by universal participation that respects human rights, gender equity, and ecological integrity. FfD4 should therefore initiate a profound review of the IFI/MDB ecosystem, hence reaffirming the role of the United Nations in global economic governance.

The Monterrey Consensus aimed to address the recurrent financial crises and vulnerabilities to exogenous shocks and adverse spillovers of rich country policies across the global South. Critical issues included the lack of monetary sovereignty for most of the Global South in a context of deregulated capital flows, international currency hierarchy and unregulated transnational financial actors, and higher borrowing costs under the supranational influence of biased and adverse sovereign ratings. The FfD process beyond Sevilla should undertake decisive actions by mandating intergovernmental processes to regulate all key dimensions of monetary and financial regulation and, more particularly, (1) a comprehensive review of the mandates and governance structures of IFIs/MDBs, (2) a comprehensive review and reform of the global reserve system, with special attention to the role and issuing modalities of SDRs; (3) an Intergovernmental Commission under ECOSOC to regulate, monitor and hold accountable Credit Rating Agencies (CRAs) and explore the establishment of an international public credit agency at the UN, among other reforms.

There is widespread agreement by Member States on the need to regulate CRAs, however, the outcome document has been increasingly watered down when it comes to this matter. While CRA dysfunctionalities are not a new issue, recent pandemic and debt crises exposed challenges, from a developing country perspective, in terms of bias and pro-cyclicality in ratings, market concentration and dominant position, conflicts of interest, and penalization of debt, climate and social vulnerabilities. Beyond the inadequacy of CRAs rating methodologies and bias in implementation that undermine developing countries' access to capital markets and increase their borrowing costs by inflating risk premiums, CRA regulation must include the establishment of multilateral, public, and independent rating agencies, promoting competition to avoid quasi-monopolistic market dynamics.

The current monetary and financial frameworks undermine the economic, monetary and financial sovereignty of developing countries through currency hierarchies, liquidity challenges, fiscal consolidation, and tight monetary policies that restrict monetary, fiscal and regulatory space for structural transformation and economic diversification, with real-economy effects on cost of living, livelihoods, and social expenditures. It is unacceptable that developing countries operate under multiplicities of sovereignty limitations and have no agency in re-shaping these frameworks for their right to development.

Past financial crises not only represented a coherence failure in macroeconomic and financial regulation but also exposed the vacuum in governance over financial actors, particularly non-banking actors. Yet, the asset management industry has grown exponentially since the last crisis, generating an even higher systemic risk for global financial instability. It is essential for all UN Member States to assess the current system from both developmental and global financial stability perspectives and undertake decisive steps towards financial regulation, recognizing the limitations of voluntary non-binding measures. In addition to CRA regulation, a global agreement on the importance of capital account management and a global regulatory framework for the asset management industry are critical steps forward in this direction.

Finally, we reject mandates to the Financial Stability Board, given its exclusive representation (very few jurisdictions) and extensive conflicts of interest. We further demand a reform of the BIS to ensure adequate representation of developing countries. The premise to mandate regulatory financial functions, and the concomitant assignment of jurisdictional powers, need to be the establishment of democratic, representative and legitimate institutions with clear and transparent accountability mechanisms.

G. Science, Technology, Innovation and Capacity-building

The "Compromiso de Sevilla" falls short in addressing one of the most urgent and systemic challenges in global governance today: the deepening democratic deficit in the governance of science, technology, and innovation (STI). At a time when societies are grappling with the transformative impacts of digital and frontier technologies—including artificial intelligence—the outcome document adopts a narrow, technocratic approach. Rather than confronting the structural inequities and risks posed by unregulated technological expansion, it is largely reduced to the idea of riding on the wave of the data and AI revolution, a puzzling move in the current context that demands a holistic, coordinated response to the twin digital and climate transition.

Civil society organisations highlight with concern the absence of any commitment to build inclusive, transparent, and participatory mechanisms for global STI governance under the United Nations. Without such frameworks, decisions about technologies that profoundly shape economies, societies, and the environment remain concentrated in the hands of a few powerful corporations and states—undermining democratic accountability and equity.

We reiterate the urgent need for a UN intergovernmental Global Technology Assessment Mechanism. Such mechanism should be broad, transparent, inclusive, accessible, and allow for participatory technology risk assessments that involve those will be impacted by digital technologies - particularly women, workers, peoples with disabilities and marginalised communities in the Global South. These assessments should occur prior to and during the development and deployment of new technologies, and account for their environmental, social, economic, and human rights impacts.

Establishing a Global Technology Assessment Mechanism at the UN can ensure transparent and inclusive deliberations on the impacts of digital technologies and facilitate multilateral cooperation to ensure the common good remains as the ultimate goal and takes precedence over profits when developing and applying digital technologies. This includes regulation that should apply to the development, deployment and equitable distribution of benefits of digital technologies such as cryptocurrencies and their trading, as well as AI, which can have profound adverse impacts on the environment, human rights, as well as developing countries' prospects for sustainable development.

III. Data, Monitoring and Follow-up

A key challenge undermining the credibility and effectiveness of the FfD process is the growing imbalance between inter-agency coordination and intergovernmental decision-making. Member States must now take decisive steps to reassert intergovernmental leadership over the review and implementation of the FfD agenda, ensuring it reflects democratic priorities rather than institutional politics.

While civil society acknowledges the coordination efforts led by the Financing for Sustainable Development (FfSD) Office, there is concern about the structural limitations and political biases of the Inter-Agency Task Force (IATF). Established to support the follow-up of the Addis Ababa Action Agenda, the IATF has failed to deliver on its mandate to provide neutral, evidence-based assessments of progress and gaps in financing for development. Instead, the IATF's annual reports often reflect the institutional interests and internal power dynamics of the very agencies tasked with implementing reform—many of which are directly implicated in maintaining the current, inequitable global financial architecture.

Institutions with disproportionate influence within the IATF—such as the OECD, IMF, and World Bank—have a vested interest in preserving the existing governance model. Their dominance undermines the political neutrality and critical analysis that the FfD review process urgently needs. The path breaking decision by the UN General Assembly to launch negotiations for a UN Framework Convention on International Tax Cooperation—despite the resistance of IATF institutions—is a powerful example of the need for intergovernmental initiative over technocratic gatekeeping.

If the core struggle of the FfD process is about democratizing global economic governance, then the follow-up and review mechanisms must reflect that. Member States must shift from an inter-agency dominated approach to an intergovernmental review process that ensures all countries have an equal voice in shaping FfD implementation. Global economic governance should be centered within the UN, where all Member States operate on equal footing, rather than within institutions where voting power is tied to financial contributions.

A UN intergovernmental process should be established after the FfD4 outcome document is adopted to agree any data and monitoring framework ensuring that the focus is on international cooperation aspects of the FfD agenda rather than highly prescriptive national implementation and review approaches such as INFFs that is a tool to domesticate the FfD agenda and increase reporting burden on developing countries.

To provide clarity, continuity, and political momentum, Member States should formally commit to convening a Fifth International Conference on Financing for Development (FfD5) in 2030.