



Youth CSO FfD Recovery

The economic model humanity embraced poses several challenges during the COVID19 era. However, the discussion on the effects it has on peripheral and semi peripheral states is not new. The COVID19 pandemic has exacerbated asymmetric relations of economic capacity, power and structural characteristics that perpetuate inequalities both in and within countries in the early 2020s.

We find ourselves at a crisis point where there is very little global solidarity in the myriad of turning points in the global economy. This is why young people engaged in the Financing for Development intergovernmental process and its follow up procedure call for action on:

A. Structural issues: debt architecture reform

We call on governments to establish a debt workout mechanism: a transparent, binding and multilateral framework for debt crisis resolution, under UN auspices, that addresses unsustainable and illegitimate debt and provides systematic, timely and fair restructuring of sovereign debt, including debt cancellation, in a process convening all creditors. We urge governments to:

- Provide additional, emergency finance without creating more debt, nor conditionalities
- Protect developing countries from lawsuits when ceasing debt payments at national and multilateral levels.
- Develop a debt relief initiative to bring developing-country debts down to sustainable levels, considering countries' long-term financing needs to pursue the SDGs, climate goals, and human rights and gender equality commitments.
- End the exclusion of middle-income countries and private creditors for addressing debt and providing debt relief.
- Create an impartial international credit rating mechanism. There is a conflict of interest with current credit rating agencies: they deliver rating judgments to the clients who pay for their assessments.
- A moratorium on Investor-State-Dispute-Settlement (ISDS) to alleviate the national economic crisis.
- Organization of the next UN Summit on Financing for Development.

Structural inequalities and environmentally destructive behaviour are not natural but political choices. Our long term planetary and human wellbeing continue to be conditional to systemic transformations for socio-ecological and economic justice.

B. Strengthened health financing

As the pandemic has exacerbated existing vulnerabilities, many countries face a decline in investments, growing debt burdens and severely reduced fiscal space. Thus, the following



questions arise: How do we finance the response to the pandemic? Which policy options do we have to set the world on risk-informed, resilient and sustainable recovery? How do we build back better? The CSO FfD youth constituency held a dialogue session on May 30th, 2020, for young people from across the globe to discuss strategies Member States can use to finance a sustainable risk-informed recovery from the global crisis triggered by the COVID19 pandemic. They agreed that the following areas are suitable paths to follow:

- In an interdependent world, it's necessary to establish an international pooled fund to share risks between donors and recipients and allocate funds for global crises and their preparedness.
- Globally coordinated but locally-led responses, as solutions, must be fit for purpose and appropriate for people. Dehumanizing finance for recovery has led us to a plummeting economy.
- Suspension of International Investment Agreements cases in global crisis
- The expansion of social protection systems and floors.

On the other hand, current low ODA levels are both economically unwise and morally flawed, given the current pandemic and interconnected crises, including climate change, conflict, fragility, and rising poverty and inequalities creating a cascading effect in current disaster management. But even before the pandemic, donors were already off-track to achieve their international aid commitments.

- The consequences of COVID-19 require the DAC community to considerably increase its ODA levels to help developing countries in restoring public goods
- All development actors need to deliver on their commitments, to safeguard the integrity of ODA, building on decades of lessons for practical development cooperation, and to respect human rights and the development effectiveness principles

C. Youth employment and technology

Digitalization and rapid technological change have brought numerous consequences and issues that impact young people's development and employability. Regarding the former, the violation of fundamental rights, a breach of privacy, and manipulation of digital platforms towards their employees and users are rising. Concerning the latter, the digital divide has widened during the pandemic. A staggering number of young people are not digitally literate nor count with access to the internet or critical skills required for the future of work. Bearing this in mind, we urge governments to:

- Develop a global strategy on youth employment in sustainable recovery that contains strategies to promote youth insertion into the labour market.
- Generate a coherent, inclusive and fair internship program across the United Nations system that values young people's contributions and eases the transition between education and the labour market in a proper way. In this regard, paid internships that provide at least a stipend for living expenses should be a priority to allow young people from diverse economic backgrounds and the global south to access international opportunities.



- Invest in the development of skills for the future of work in national and international frameworks. These solutions should incorporate intergenerational equity approaches, basic training in programming, and the use of the software. Governments should consult young people to assess resource allocation with qualitative methodologies to evaluate and monitor such investments.
- Address the colossal vacuum in the governance of digital technologies to protect human rights and assert the mandate of democratic institutions over corporate interests.
- Increase transparency, inclusion, access, and participation in deliberations on the current and potential impacts of digital technologies on the environment, the labour market, livelihoods and young people.
- Increase internet coverage nationwide to reach mainly rural communities with difficult access to the internet. To ensure that the right to education of young people is preserved and the internet, governments should seek ways to facilitate access to digital equipment such as computers.

D. UN Tax Convention

We call on the ECOSOC President & Bureau to organize a series of intergovernmental meetings to build consensus towards establishing a universal, intergovernmental UN tax commission and negotiate a UN Tax Convention.

- To comprehensively address tax havens, tax abuse by multinational corporations and other illicit financial flows through a genuinely universal, intergovernmental process at the UN, with broad rights holders' participation.

This becomes even more urgent considering the nature and size of the digital economy and the increasing importance of e-commerce. Unless the failures of the international tax system are urgently addressed, countries around the world will continue to lose billions of public revenue dollars due to illicit financial flows. This will increase the already unsustainable debt levels and undermine governments' abilities to respond to the crisis while also decreasing the public revenue base of developing countries.

E. Sustainable Finance

Although there is much talk about sustainable financing, on-ground realities show that words are not yet translated into action. Making climate-resilient infrastructure into a business opportunity, within the already long history of attracting Foreign Direct Investment almost as an end in itself, risks having projects that are nominally "green" but lead to rights violations, development aggression and land-grabbing.

- Investment decisions and broader development planning need to be open to people and based on rights. Consultation to society, stakeholders, and people of interest in particular projects is required before allocating funds
- Open civic spaces, especially in the Global South as the 2020 DCF Survey Study shows that trade unions were 'consulted' for development cooperation policies only in 22% of



surveyed countries and are "not involved" 54% of the time in countries with national development cooperation forums.

F. Youth Meaningful Engagement

Across MGCY, we believe that a whole-of-society approach is needed to create solutions in front of global challenges. Therefore, it is necessary to address how to improve citizen participation and include all people, especially vulnerable groups.

For meaningful youth engagement in UN processes, including FfD-related procedures, there is inaccessibility to most young people due to the nature of UN engagement based in the Global North, with a highly technical language, and with the requirement to be engaged in a formal Civil Society Organization. Therefore, we demand to:

- Mainstream youth engagement into UN strategic planning and operations
- Include youth representatives in UN processes wherever feasible.
- Provide training and webinars accessible to interested youth to hear first-hand experiences of UN employees making tangible changes in their communities.
- Expand the circle of existing youth stakeholders and work to include broader perspectives.
- Support youth-led initiatives and organizations with funding and capacity building.

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