

Global Policy Watch



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UN Convenes CSO Consultation for LDC5

By the GPW team

With preparations underway for the Fifth United Nations Conference on the Least Developed Countries (LDC5) being held in 23-27 January 2022, the co-chairs of the Preparatory Committee (PrepCom), have convened two consultations with CSOs, one on 20 May and one on 28 July.

Introducing the <u>second consultation</u>, the co-chairs reiterated interest in CSO perspectives and participation throughout the LDC5 process:

"Co-chair Ambassador Bob Rae and myself, we are very, very keen to remain engaged with all of it for the process... It is also very, very important that you [CSOs] reach out not only to us here, but also to reach out at the country level with your governments, and other stakeholders as they prepare for this very, very important meeting." -H.E. Co-Chair Rabab Fatima

"Thank you to all of the participants. I think it reinforces the importance of your own engagement and the engagement of your organizations. You not only provide us with critical perspectives from the ground, which are really important, but you also provide us with facts, with what is actually happening, and with a broader perspective that I think sometimes is missing from some official documentation. So please, keep peppering us with your perspectives, because it's important that we try to have as broad a perspective as possible in the final document." -H.E. Co-Chair Bob Rae

In addition to presentations in the consultations themselves, a number of CSOs have submitted written contributions to the zero draft of the outcome document, which was delivered by Malawi on behalf of the LDC <u>Group</u>. This draft provided the basis of informal Member State negotiations during the Second PrepCom, and the negotiations are anticipated to continue in September 2021. The CSO submissions included detailed comments and textual suggestions covering the full range of issues such as gender inequality, the need for a people's vaccine, digital governance, and inadequacies of trade and finance architecture.

In addition, <u>CSOs expressed</u> their disappointment at the lack of transparency and CSO inclusivity within the preparatory process. They underscored that this weakened their ability to contribute effectively and in a manner consistent with their commitment.

The CSO verbal and written statements are available on the UN – OHRLLS <u>website</u>. This Monitor provides some excerpts from the consultation itself. The written contributors are listed below with links to the statements submitted.

Brac Centre

Caneus

Centre de défense des Droits de l'Homme et

Démocratie

Civil Society Financing for Development Group

EquityBD

Groupe d'Action et de Réflexion sur

l'Environnement et le Développement (GARED)

International Organization of Employers

International Women's Rights Action Watch

Asia Pacific (IWRAW Asia Pacific)

Just Net Coalition

SIDIFEP

<u>Sightsavers</u>

Soroptimist International
The Inclusivity Project (TIP)

Third World Network and Social Watch

Universal Esperanto Association

Veille Citoyenne Togo

Women's Working Group on Financing for

<u>Development</u>

Inclusion and Representation of LDCs

- "...calls for "greater action and extraordinary measures" in order to tackle the challenges facing LDCs. This means a break with current economic policies and a new framework for cooperation with LDCs. We hope that the international community will heed that call."
 - -Demba Moussa Dembele, LDC Watch
- "On governance, we share the document's "deep concern" about the under-representation of LDCs in the global decision-making processes. Indeed, this applies to the Global South in general." -Demba Moussa Dembele, LDC Watch
- "Global norm setting on these critical issues of global finance continues to take place in forums that suffer from serious democratic deficits. In the process, LDCs are systematically excluded from decision-making and reduced to being 'rule takers' rather than 'rule makers'. The result is a global economic and financial system that is ineffective and unsuitable for LDC contexts."
 -Dereje Alemayehu, Global Alliance for Tax Justice

Environmental and Food Security

- * "When you remember that one third of the LDC population lives with under \$1.90 a day you should remember also that every European cow gets two dollars a day of subsidies. And that destroys food systems and agriculture in LDCs, but also contributes to climate change... which is an additional burden on the LDCs that do nothing to create it." -Roberto Bissio, Social Watch
- "The current text of the zero draft, which only mentions disaster risk reduction, is very limited in scope, pertaining to only risk insurance and disaster relief. And hence this needs to be rightly addressed by including the language of loss and damage consistent with the Paris Agreement."
 -Prerna Bomzan, LDC Watch
- "For example, many LDCs rely on international markets for an important share of their basic food staples. That food in many cases could and should be grown domestically. A thriving rural

- economy is a proven basis for inclusive economic growth."
 -Sophia Murphy, Institute for Agriculture and Trade Policy (IATP)
- "We are very concerned that CBDR and equity continues to be pushed back even though it is a foundational principle of sustainable development forged at the UN Environment and Development Summit in 1992. It is explicitly operationalized in the legally binding UNFCCC and its Paris Agreement." -Yoke Ling Chee, Third World Network

Digital Divide

- "Current models in the platform economy are based on a winner-take-all model led by a handful of digital firms who are de facto owners of the data amassed in a non-regime of free data flows. This data, locked up in private enclosures, provides the vital foundation for a new architecture for value creation in the LDCs. The prior failures of the market model of technology transfer cannot be forgotten." -Anita Gurumurthy, Just Net Coalition
- * "Yet, the Zero Draft continues to fall back on the standard rhetoric of "private sector partnerships" for research and innovation, technology transfer and technical competencies. This misplaced faith we believe will lead to loss of technological sovereignty, and a hollowing out of local productive capacity in the LDCs." -Anita Gurumurthy, Just Net Coalition
- * "Further, the vision of digital governance, as put forth by the UN Secretary General's Roadmap, has been held up as the standard-bearer for an equitable digital future for all. However, the proposals for global digital cooperation in this Roadmap dangerously legitimize the role of Big Tech in digital governance." -Anita Gurumurthy, Just Net Coalition
- "Secondly, the e-commerce development agenda that is outlined does not adequately emphasize the importance of LDCs preserving the policy space to assert their jurisdictional sovereignty over cross-border data flows to protect and promote their strategic economic interests." -Anita Gurumurthy, Just Net Coalition

Trade

- "Section IV on Enhancing international trade of LDCs and integration needs to ensure that there is alignment with key decisions and commitments in other fora and processes. While we do not want to prejudge other processes, there must however be coordination in bringing comprehensive LDC perspectives to where key decisions are made." -Sophia Murphy, IATP
- "The Outcome Document must call for the adoption of the proposal at the WTO on a mandated permanent solution on public stockholding, and for trade rules to support LDCs and developing countries to have strong public food programmes to deal with small farmers' livelihoods and food security..." -Sophia Murphy, IATP
- "LDCs are not excluded so much as exploited by the existing systems. LDCs are big traders, and heavily reliant on trade, but their people do not make much money from the activity. The rules are skewed against them, and deep and prevailing poverty denies the large majority of LDC citizens their fundamental human rights." -Sophia Murphy, IATP

Financial Equity and Inclusive Economies

- "These requests are important. But they have the unfortunate tendency to project an image of static and functional global economic systems into which LDCs need to gain admittance. On the contrary, as is made clear in the SDG agenda, for example, and in the vital work on the African continent to strengthen regional ties, we need system transformation."
 -Sophia Murphy, IATP
- "There is a tendency to push developing countries to focus on domestic issues even at international meetings supposed to address global issues which impact domestic processes. We thus would like to emphasize that the LDC5 outcome document should recognize that systemic transformation of LDC economies depends on addressing blockages emanating from the international economic and financial structure."
 - -Dereje Alemayehu, Global Alliance for Tax Justice
- "This means the priorities should be those addressing the external constraints that shrink the fiscal and policy space of LDCs such as illicit financial flows, debt and the multiple layers of policy conditionalities that are increasingly narrowing the capacity of LDCs to shift their development path to a strategy focusing on people-centered, rights-based socio-economic transformation strategies." -Dereje Alemayehu, Global Alliance for Tax Justice
- * "As in the past, we are concerned about the volatility and unreliability of financing strategies based on private investors. The current global financial architecture serves mainly to extract wealth; to exploit labour, to amplify gender and other intersectoral inequalities. It generates periodic crises and destabilizes the global economy exposing countries, in particular the LDCs, to havoc and destruction. There is therefore an urgent need to bring the global financial architecture into democratic governance and accountability."
 - -Dereje Alemayehu, Global Alliance for Tax Justice
- "Financing for development is ridden with conditionalities, and even for LDCs financing is shifting from grants to loans to blended finance and to reliance on private finance where rating agencies determine the fates of entire nations." -Yoke Ling Chee, Third World Network

International Support and Equity for LDCs

- * "The document calls for the mobilization of international solidarity and revived global partnerships in support of sustainable graduation. However, solidarity and partnerships should be based on true policy ownership and the development priorities set by LDCs."

 -Demba Moussa Dembele, LDC Watch
- "Finance is increasingly being provided in loans rather than grants, which totally exacerbates the debt crisis in LDCs and developing countries compounded by the ongoing covid-19 pandemic. It is therefore essential to specify provision of public finance as grants in the outcome document."
 -Prerna Bomzan, LDC Watch
- "And then there is vaccine hoarding, which increases inequalities even more and has been called a "moral outrage" by Doctor Tedros Adhanom, director of WHO. What happened with the principle of "common but differentiated responsibilities" that should be guiding multilateralism and international cooperation?" -Roberto Bissio, Social Watch

- * "Today's vaccine inequity shows that it is human lives that have to be paid if we do not remove persistent and worsening structural & systems obstacles... they do not constitute the international enabling environment for policy space to get to truly sustainable development and realization of human rights and the Right to Development. The Outcome Document can be a historic milestone to remove those road blocks." -Yoke Ling Chee, Third World Network
- "The LDCs met their part of that contract, they went through painful structural adjustment and liberalization, either voluntarily or because of strict conditionalities imposed on them. But their so called "development partners" never met their commitments. ODA never reached the required levels, their damaging agricultural subsidies were renamed but never lifted."
 -Roberto Bissio, Social Watch
- "Structural transformation means changing the rules so that we have an international enabling environment which protects Policy Space for countries to autonomously design national policies on agriculture, industrial and services sectors that diversify the economy, shape the rules for a digital economy that truly benefit LDCs, all in tandem with social policies to realize the Right to Development." -Yoke Ling Chee, Third World Network

LDC Graduation

- "The document raises concern over the slow process of graduation as illustrated by the failure of the Istanbul Program of Action to achieve its major goals, especially the graduation of 24 countries by 2020. We reiterate our view that only a break with the current approach to graduation could lead to a better outcome. Therefore, we recommend reexamining the criteria and the quality of the data used to determine graduation thresholds."
 - -Demba Moussa Dembele, LDC Watch
- "We strongly support a post-graduation transition of 12 years for TRIPS implementation noting that there is no magical duration that will work in every case...There are valuable lessons from developing countries and LDCs that have graduated numerically defined "transition" periods are not enough to ensure that a country with its specific circumstances and needs can climb up the technology level and work towards sustainable development. With external shocks beyond a country's control, a developing country can also free fall into crisis."
 - -Yoke Ling Chee, Third World Network

Social Watch

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