Talking points Anne Schoenstein, Association for Women’s Rights in Development (AWID) and Women’s Working Group on Financing for Development (WWG on FfD)


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We are at day one of the official FfD3 conference. A very timely moment to kick off with a discussion that is ultimately about nothing less than addressing systemic issues that underpin poverty, inequalities, asymmetries and mal-distribution of power and resources in the global political economy. Removing global obstacles to development, setting the right priorities, policies and rules for financing the Post 2015 Development Agenda - and - allowing for the full implementation of other internationally agreed development agendas is what is needed. Including those critical for women’s rights such as the Beijing Platform for Action and the Cairo Programme of Action. The draft Addis Action Agenda however does not move forward in this regard as required, - rather the contrary. The integrity of the Financing for Development agenda is at risk.

FfD3 and the draft Action Agenda mirror what we are generally seeing - an increasing dominance of the corporate sector and international financial institutions of both local and global public policy, coupled with lack of transparency and public accountability for these actors. This is of major concern to us and many CSOs.

The FfD3 process and thus in effect also the draft outcome document must deal much more with strengthening and highlighting **the role and responsibilities of the state as duty bearer** instead of embracing the private sector.

Moreover, while the draft Action Agenda, importantly, includes in the first paragraph a commitment to respect all human rights, including the right to development, and that member states will ensure gender equality and women’s and girls’ empowerment, it lacks an **integrated, consistent and explicit human rights based approach**.

In paragraph 6, the AAAA “reiterate[s] the need for **gender mainstreaming**, including targeted actions and investments in the formulation and implementation of all financial, economic, environmental and social policies.” In the year of Beijing+20, reiterating the need is not enough. Moreover, while the Doha Declaration called for gender mainstreaming in development policies, including financing for development policies (Para 4, Doha Declaration), the current draft outcome document is shifting this understanding. While it expands the scope of FfD policies towards environmental and social policies it drops the development policies reference and refers to “investments” instead of “dedicated resources”.

Concerning dedicated resources - specific mention of commitment to **resource allocation** should be linked to the realization of women’s human rights and advancing gender equality otherwise it is not clear to which purpose the resources will be allocated. Dedicated, “adequate and sufficient” resource allocation for gender equality, women’s empowerment and women’s rights at large need to be guaranteed.

In regard to dedicated resources it is also highly problematic that the draft Action Agenda strongly relies on private sector contribution to financing for development and women’s empowerment, diverting attention away from the role of states in removing the global obstacles to development, mobilizing official development assistance and sufficient domestic public resources.
Domestic public resources - it is extremely concerning that the reference to “promote equity, including gender equality as an objective in all tax and revenue policies” was removed from the document. This needs to get reversed again.

**Tax policy** – like any other realm - is not gender neutral and domestic resource mobilization policies need to be reviewed for their impact on women’s income, work, including unpaid labour and unpaid care, and property and assets ownership. Regressive tax policies that for example rely disproportionately on indirect taxation are likely to affect women living in poverty more heavily because of women’s socially constructed roles as primary caregivers and their responsibility for providing goods and services for their families.

It is high time that global incoherencies and inequities get overcome. The resistance from developed countries to ensure greater international tax cooperation through the creation of a UN tax body that is urgently required by all countries to truly combat illicit financial flows and tax evasion, and to address inequalities within and between countries, is simply unacceptable. FfD3 must deliver!

Furthermore, the “race to the bottom” in which tax competition among developing countries takes place to attract corporate and foreign direct investment is having a negative impact on government budgets needed to finance the advancement of women’s rights.

FfD3 must move from creating an enabling environment to attract Foreign Direct Investment (FDI) and to promote Public-Private Partnerships (PPP) towards safeguards and investment frameworks that have binding norms, including for Transnational Corporations, that are consistent with human rights. It also needs to be ensured that any private sector or PPP project has in place accountability mechanisms in compliance with human rights standards and norms, including environmental and social safeguards. Agreed timelines for reporting and evaluation must be agreed ex-ante and with full participation of the affected communities, including women and girls, indigenous communities and other people facing structural discrimination.
The duties and responsibilities of States to **protect people from harms caused by the private sector** must be in center and it must get ensured that businesses respect human rights in their activities. In the current draft, governments fail to acknowledge, let alone endorse, the critically important process unfolding in the UN Human Rights Council to develop an **international legally binding instrument on Transnational Corporations and other Business Enterprises** that is based in the international human rights framework. Moving forward this will however be key.

The references of some women’s rights in the draft get undermined by a framework that shows a strong tendency towards the **instrumentalization of women**. Promoting gender equality and women’s empowerment due to the ‘value’ of women, their usefulness in enhancing economic growth and productivity, is a very problematic approach. Gender equality must be addressed from a human rights angle and not as a strategy to increase economic growth. Achieving the full realization of **women’s human rights, and gender equality** must be an end in itself. This will ultimately only be achievable if also global policy incoherencies, structural, systemic issues and power imbalances are getting tackled.

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