Civil Society Financing for Development Mechanism's Position Paper for HLPF 2026
Executive Summary

Achieving the 2030 Agenda for Sustainable Development requires systemic, macro measures that can only be advanced by democratizing global economic governance. Unfortunately, the adoption of the *Compromiso de Sevilla* on Financing for Development (FfD) did not meet the necessary ambition, and critical systemic reforms were 'compromised' during the negotiations. In the context of the current economy and geopolitics of war, and the ongoing unacceptable violations of international law, we call on Member States to engage the FfD follow-up process to advance normative developments and governance reforms that can provide a critical vision for the UN we need against the current efforts to undermine democratic multilateralism. Despite attempts to quantify the development finance gap to reach the SDGs, it is important to recognize that investing more money into a system that is ill-designed and has been maintaining and deepening inequalities within and between countries is not a sustainable solution. Instead, to expand Global South countries' fiscal and policy space and enable their Right to Development, member states should:

- Agree on a UN Framework Convention on International Tax Cooperation to comprehensively address tax havens, tax abuse by multinational corporations and other illicit financial flows.
- Agree on a UN Framework Convention on Sovereign Debt that would comprehensively address unsustainable and illegitimate debt, including through extensive debt cancellation.
- Establish an international public credit rating agency at the UN that could provide long-term ratings as well as counterbalance the influence of private credit rating agencies.
- Agree on a UN Convention on International Development Cooperation, including establishing a mechanism for the fulfilment of the trillions in unmet 'aid debt' owed to the Global South through decades.
- Elaborate a UN multilateral agreement for a coordinated and permanent termination of Investor State Dispute Settlement mechanisms that empowered transnational corporations to sue governments in confidential tribunals.
- Establish a UN intergovernmental process to assess systemic risks posed by an inadequately regulated financial sector and conduct a thorough review of the sustainable development outcomes of public-private partnerships, blended finance and other financing instruments established to leverage private finance.
- Establish a UN intergovernmental process to review and transform international financial institutions and Multilateral Development Banks, leading to an overhaul of the international public finance architecture.
- Ensure fiscal space and scale up international cooperation for decent jobs creation and universal social protection in line with SDGs and ILO standards.