

OHCHR Key Messages

for the Fourth International Conference on Financing for Development

*The Fourth International Conference on Financing for Development (Ffd4) - which will take place in Seville from 30 June to 3 July 2025 - offers an historic opportunity to move beyond the status quo, scaling up financing and agreeing on fundamental reforms of the global financial and economic system's rules and institutions to make these more representative, equitable and capable of addressing global challenges. By adopting a global financing framework rooted in human rights, member States can help accelerate the shift towards a 'human rights economy' that places the wellbeing of people and the planet at the heart of our global economy. Ffd4 must preserve and build upon member States' human rights obligations and commitments contained in the 2015 Addis Ababa Action Agenda, including that: **"We commit to respecting all human rights, including the right to development... and to advance fully towards an equitable global economic system in which no country or person is left behind"** (AAAA, para 1).*

A global financing framework anchored in human rights:

- **Progress on the SDGs and human rights is in grave peril.** For the first time in a generation, global progress on reducing poverty and hunger is in reverse. Multiple crises – from COVID to debt to climate - are gripping the planet, with developing countries bearing the brunt. Yet the international financial and economic system is failing to cushion the impacts on people, as stark inequalities within and between countries widen.
- **International human rights norms and standards call upon States to mobilise resources for the realisation of people's rights.** They require international cooperation by all States to mobilize the maximum available resources for the progressive realization of human rights.
- **Human rights principles can help accelerate the move towards an inclusive global financing framework.** They require all States and other actors, to promote inclusive, participatory, sustainable and equitable development that benefits all individuals and Peoples worldwide, to fairly share the gains of development within and between nations and generations, and to prevent and remedy harm, including environmental harm.
- **Human rights underline the importance of justice and equity, transparency, accountability, and meaningful participation of all people and all States in decision-making at all levels.** States should cooperate with civil society actors, creating a safe and enabling environment in which civil society, media and journalists can operate free from hindrance and insecurity, increasing public awareness and creating a culture of responsibility, thereby tackling corruption at the root. The international human rights mechanisms within the UN system can also help strengthen accountability and monitor implementation, evaluate and follow-up of financing commitments.
- **Ensuring that national financing strategies are aligned with the ambition of the 2030 Agenda is critical to resume progress towards the SDGs and human rights.** The objectives envisioned in the 2030 Agenda should continue to guide national development plans and the related integrated national

financing framework. Both should be firmly anchored in human rights. When developing and implementing national financial strategies, the legally binding human rights framework provides help guardrails when navigate difficult decisions that require trade-offs between competing policy priorities.

Domestic public resources

- **Raising revenues requires building more progressive tax systems and tackling tax abuse.** Raising taxes alone will not be sufficient to fill the vast global gaps in development financing. Yet, it plays a key role in the sustainable mobilisation of resources and the reduction of inequalities within and between countries. Special attention needs to be paid to avoiding regressive taxes (such as Value Added Taxes, Goods and Services Taxes) and strengthening progressive taxes on income, wealth and excess profits in domestic tax regimes to ensure that the tax burden does not fall unfairly on the poor and middle classes. Measures such as implementing a higher global minimum corporate tax rate and establishing a global minimum wealth tax (such as [Brazil's G20 initiative](#)) to combat tax evasion and avoidance, especially by the world's wealthy individuals and multilateral corporations should be a priority alongside efforts to fight illicit financial flows and corruption.
- **Achieving an ambitious UN Framework Convention on International Tax Cooperation, grounded in human rights standards, is a historic opportunity.** States should constructively engage in negotiations to develop a more representative, inclusive and effective international tax system, maintaining alignment with international human rights standards as a guiding principle, ensuring the fair allocation of taxing rights to developing countries, and improving the global rules to combat tax evasion, avoidance and tax-related illicit financial flows that erode the fiscal space of countries.
- **Governments should cooperate to increase transparency and combat illicit financial flows (IFFs).** States and other relevant stakeholders should cooperate to track and combat IFFs, including by combatting trade mis-invoicing and strengthening the implementation of public country-by-country reporting, automatic exchange of tax and financial information between countries and public beneficial ownership registers of legal entities and arrangements.
- **Business enterprises must exercise due diligence with respect to tax evasion and avoidance.** In line with the UN Guiding Principles on Business and Human Rights, businesses should address adverse human rights impacts with which they are involved and should not undermine States' abilities to meet their own human rights obligations by avoiding paying taxes. Global regulation and due diligence requirements should be strengthened for financial, legal, accounting and other professional service providers to stop the facilitation of tax evasion and avoidance.

Domestic and international private business and finance

- **The scaling up of private investment and building an enabling business environment should strengthen, not undermine, the realization of human rights and the achievement of SDGs for all:** As private investment assumes an ever-expanding role in development, business' adherence to the human rights responsibilities outlined in the UN Guiding Principles on Business and Human Rights becomes increasingly critical. Businesses should incorporate social, environmental, labour, human rights and gender equality considerations into their activities and subject public private partnerships to human rights safeguards and rigorous due diligence, including human rights impact assessments. **It is critical to move beyond 'de-risking' towards a 'risk-sharing' approach in blended finance.** A more equitable sharing of the risks and rewards of investment between the public and private sectors will help to prevent the burden of risks falling primarily on the State and to encourage a stronger focus on developmental impact.

- **All States should adopt policies and institutional, legal and regulatory frameworks to encourage responsible and accountable investment in sustainable development.** Such frameworks should include human rights and sustainability criteria, investors' obligations and align investor incentives with sustainable development. They should go beyond voluntary reporting and require all companies to undertake mandatory Economic, Environment, Social, and Governance (EESG) reporting commensurate with the level of risk posed by their activities. This will help to identify, prevent and mitigate any risk of adverse human rights impacts. States should also take measures to ensure that the provisions of international trade and investment agreements do not protect investor interests at the expense of State policy space to promote the realization of human rights.
- **States should regulate against predatory lending and ensure universal and transparent access to affordable, appropriate financial services for all.** This implies establishing effective regulation, recourse mechanisms and consumer protection agencies to prevent predatory lending and ensure greater financial literacy among consumers. Support to excluded groups needs to be proactively pursued and barriers to access to finance must be eliminated. Women and girls must have equal access to financial services, and the right to own land and other assets. Indigenous peoples' rights should be fully reflected in line with the UN Declaration on the Rights of Indigenous Peoples, including their rights to their lands, natural resources and territories, and to the benefits from their traditional knowledge. Migrants should not be treated as an economic commodity, and policies should take into account that their remittances are private sources of finance while seeking to reduce their costs of remittances.

International Development Cooperation

- **States should step up financing to meet or exceed the long-standing target of 0.7% of GNI -** States need to scale up their contributions, with enhanced access to reliable, predictable grants that support developing countries' long-term development and resilience, particularly for countries with the weakest ability to mobilize domestic resources.
- **Development cooperation should be aligned with core human rights principles.** To be effective and to reduce poverty and inequalities, development cooperation should be aligned with the priorities of developing countries and be targeted towards the people and groups most in need. It should be transparent and administered through participatory and accountable processes.
- **South-South cooperation has become an increasingly important element of international cooperation.** South-South cooperation is serving as an important complement not a substitute of international development cooperation. It should also be aligned with international human rights norms and standards.

Environmental financing and just transition

- **Financing for environmental action is critical to achieving a just transition to sustainable economies and societies. It is urgent to meet existing commitments, particularly for countries that are most vulnerable.** Concessional financing, including climate finance, for countries that have contributed least to environmental crises, but are affected the most, needs to be scaled up. Developed countries must commit to preventing and remediating their harmful environmental impacts.
- **Concessional, grant-based and non-debt creating climate financing needs to be prioritized and implemented in a manner consistent with guiding principles.** This includes the principles of equity, common but differentiated responsibilities and respective capabilities, and the recognition of developed countries' historical responsibility for climate change, as well as the 'polluter pays' principle, as

enshrined in the Rio Declaration. Urgent action is needed to ensure human rights-based implementation of COP29 climate finance commitments including to develop and realize the “Baku to Belém Roadmap to 1.3T”.

- **Financing mechanisms should facilitate compliance with human rights obligations.** Implementing the environmental and social safeguards for financing mechanisms, including appeal and grievance procedures, helps to ensure that human rights impacts are assessed, and human rights violations are prevented.
- **Human rights must be embedded at every stage of the critical energy transition mineral value chains.** This is critical to ensure that the transition is equitable, just, and inclusive—benefiting people, protecting the planet, empowering communities and not replicating the harms of past extractive industry practices, in line with the UN Secretary-General guiding principles on critical energy transition minerals.

Trade as an engine of development

- **All countries should share equitably in the benefits of trade:** A revitalized multilateral trade system based in cooperation for sustainable development is needed to address the interests of the poorest and most vulnerable economies, but it is also clearly in the interests of all trading partners, weak and strong alike. This should include reinstating the full functionality of the WTO Dispute Settlement Mechanism.
- **International cooperation should be strengthened to enhance productive capacities of developing countries, especially of LDC, SIDS and LLDCs.** Enhanced productive capacities will boost their resilience to trade and market disruptions, generate revenues for investing in human rights, and enhance their integration into regional and global value chains.
- **Trade agreements, policies and procedures should advance peoples` rights.** This requires ensuring equitable access to trade benefits and mitigation of associated human rights risks in particular for populations in vulnerable situations. Human rights impact assessments should be applied systematically to assess human rights risks and ensure policy coherence with State’s human rights obligations.

Debt and Debt Sustainability

- **Measures to tackle the high cost of debt and record levels of debt servicing must be a high priority for FfD4.** More concessional financing and affordable, longer-term lending is critical as 40% of the world’s population – 3 billion people – live in countries where governments spend more on interest payments than on realizing the rights to education or health. Governments in the global South pay interest rates that are far higher than governments in the north, and many are indebted beyond their ability to pay. The ability of States to meet their human rights obligations should not be undermined by their financial obligations to creditors. Public spending should be ringfenced in health, education and social protection.
- **Resolving the sovereign debt crisis will require a fundamental reform of the sovereign debt architecture.** The current ad-hoc arrangements and processes for sovereign debt restructuring and resolution (including the G20 Common Framework) are too slow, ineffective and inequitable. It is time to review the global debt architecture as envisioned in the Pact of the Future that adopts an approach rooted in international human rights principles and standards, as well as initiating an intergovernmental process at the United Nations.

- **An international multilateral legal framework on sovereign debt is urgently needed.** With the increasing complexity of the creditor base, ensuring that all public and private creditors are participating on equal footing in such as framework is critical.
- **Strengthen domestic legislation in major financial jurisdictions to regulate private creditor behaviour:** Efforts to elaborate an international multilateral legal framework must be complemented by a strengthening of domestic legislation in major financial jurisdictions in line with the UN Guiding Principles on Business and Human Rights. This is essential to prevent private creditors and hedge funds from deploying predatory financial strategies and hold up negotiations to extract unreasonable settlements thereby undermining States` ability to invest in human rights.
- **Debt sustainability assessments should take SDGs, climate-vulnerabilities and States` human rights obligations into account.** The narrow focus of current debt sustainability assessments on the debt-carrying capacity of a country often leads to insufficient debt relief, austerity, and fiscal consolidation measures with negative impacts on economic, social and other rights, including the right to development.
- **Regulation of credit rating agencies (CRAs) should increase transparency and mitigate the disproportionate impact of downgrades on developing countries.** Regulation of CRAs in line with international human rights standards and principles should lead to greater transparency and accountability in their methodologies and assessments as well as promote meaningful participation of rights-holders.

Addressing Systemic Issues

- **A paradigm shift towards a `human rights economy` is essential for transformative change.** The current economic and financial system is undermining the achievement of sustainable development and human rights and is deepening inequalities within and between countries. Profound change is needed at FFD4 by promoting a transformative paradigm transitioning towards a global economic system that advances the SDGs, a healthy planet and all human rights for all people. For example, investing in the care and support economy and systems that recognizes and redistributes the disproportionate share of unpaid care, support and domestic work shouldered by women, rewards care and support workers with decent work, and dismantles inequalities in the care and support economy for those requiring care and support, is a key lever for sustainable development.
- **It will be essential to align the mandates, policies, metrics and practices of IFIs with international human rights, labour rights and environmental standards.** This should aim at making IMF lending more flexible and ending the use of conditionalities in IFI loans and projects that can undermine a States` ability to meet its human rights obligations, including on economic and social rights such as the right to health and education. It should promote the use of human rights impact assessments (ex-ante and post) and of safeguards and remedies to protect against potential violations of human rights in loans, grants and projects.
- **International development banks should adopt robust safeguard systems.** To ensure that their work is fully aligned with international human rights obligations, all development banks should establish or maintain safeguard systems, including on human rights, gender equality and women`s empowerment, that are transparent, effective, efficient and time-sensitive in open consultation with stakeholders on the basis of established international standards.
- **Reforming the governance of the international financial institutions (IFIs), including the quota and voting rights systems, must be part of developing more inclusive, fair and representative global economic governance.** Reform of the IFIs should ensure representation of all countries,

meaningful participation of all stakeholders and greater transparency and accountability for promoting international cooperation for sustainable development that leaves-no-one behind.

- **There is a need to move beyond GDP as a measure of development progress.** GDP needs to be complemented by more comprehensive metrics that are inclusive, just, sustainable, risk-sensitive, gender-transformative and human rights-based.

Data, Monitoring, and Follow-up

- **A monitoring framework that integrates human rights principles and indicators is essential for tracking progress in the implementation of the financing for development outcome document.** The monitoring framework should integrate a global peer review mechanism, including the work of the international human rights mechanisms under the United Nations system, to enhance transparency, shared responsibility and promote best practice. This framework should incorporate the work of relevant human rights bodies and go beyond tracking financial flows to incorporate assessment of development outcomes and progress in addressing systemic and structural challenges that perpetuate inequalities.
- **Adopt a human rights-based approach to data with greater disaggregation:** Monitoring efforts must be underpinned by a human rights-based approach to data that makes information more available, accessible and more broadly disaggregated to track development impacts for all people in all countries.