March 1, 2022.

***Via Electronic Mail***

Mr. Saad Alfarargi

United Nations Special Rapporteur on the right to development

Dear Mr. Alfarargi:

**Re:** [**Call for inputs**](https://www.ohchr.org/EN/Issues/Development/SRDevelopment/Pages/Call-COVID-recovery-plans-and-policies.aspx) **- Special Rapporteur on the right to development COVID recovery plans and policies and the right to development**

We write to contribute to your reporting to the Human Rights Council and the General Assembly on “good practices” on “Covid-19 recovery plans and policies that are in line with both the right to development and the 2030 Agenda on Sustainable Development, as well as information about challenges and areas for improvement”.

[Eurodad](http://www.eurodad.org) – the European Network on Debt and Development – is a network of 60 civil society organisations (CSOs) from 29 European countries. Eurodad works for transformative yet specific changes to global and European policies, institutions, rules and structures to ensure a democratically controlled, environmentally sustainable financial and economic system that works to eradicate poverty and ensure human rights for all.

Our submission directly responds to Q.B.3 How are states/development agencies cooperating to mobilize additional resources at international level – including knowledge sharing, technical cooperation, capacity-building and technology transfers – in order to provide the means and facilities to foster comprehensive COVID recovery? We base it on three recent reports analyzing the World Bank and the International Monetary Fund’s response to the pandemic and beyond. These reports are: “[’Rebuilding Better](https://www.eurodad.org/rebuilding_better)’, but better for whom?” (April, 2021); “[The Policy Lending Doctrine](https://www.eurodad.org/the_policy_lending_doctrine): Development Policy Financing in the World Bank’s Covid-19 response” (September 2021), and “[Arrested Development](https://www.eurodad.org/arrested_development): International Monetary Fund lending and austerity post Covid-19” (October 2020).

Accordingly, our submission is that:

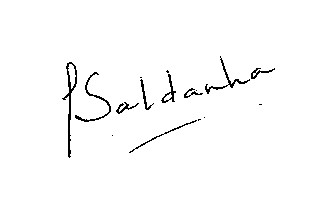
* The World Bank Group (WBG)’s Covid-19 response required structural reform that could be considered disproportionately more than what was needed for countries to deal with the effects of the pandemic. The initial emergency response has in some cases provided an entry point for a more expansive scope for structural reforms, including those linked to a more substantial role for the private sector in development finance, in line with the Bank’s approach to development finance, summarised in the ‘Maximising for Development’ framework. An extensive critique has highlighted numerous concerns with this approach, including the negative long-term fiscal impacts, high costs, lack of transparency and potential negative impact on poor households. Attaching the private finance agenda to the Bank’s emergency response risks weakening public finances in the long-term, deepening structures of global inequality, and undermining national efforts in line with the right to development.
* In its use of Development Policy Financing (DPF) in its Covid-19 response, the World Bank has lost the opportunity to break with the past and play a truly progressive and transformative role in helping countries to rebuild their economies. This is evident in the type of policies promoted and the continued reliance on policy conditionality as an instrument for influencing national policy making that does not adequately account for its impact on poverty, inequality and human rights. This extensive use of DPF entrenches a way of bringing about change that rests on neocolonial power dynamics, with international institutions in the global north continuing to occupy developing countries’ policy space, and undermines the right to development.
* The dramatic failure of the IMF to respond to the Covid-19 pandemic. The measures adopted to tackle the ongoing economic downturn fall far short of the effort needed to meet the current scale of need in the global south. Between 2021 and 2023 eighty (80) countries will implement austerity measures worth on average 3.8 per cent of Gross Domestic Product (GDP). The scale, speed and reach of the planned adjustment raises serious concerns regarding its impact on country and global growth projections. The IMF projections and recommendations for fiscal consolidation set the tone for yet another “lost decade” for development, with very harmful impacts on the most vulnerable.

Eurodad’s analyses call for a rethink of the current development model, and for systemic changes to allow for policies compliant with the right to development, and in line with the delivery of the 2030 Agenda. In particular, Eurodad stresses that:

* Private finance as a source of financing for development needs to be downgraded, given the overwhelming evidence of its failures to effectively contribute to sustainable development.
* Greater attention is needed to more effective and sustainable means to expand fiscal space, including meeting official development assistance commitments, tackling tax avoidance and evasion, and an immediate cancellation of debt payments linked to a more comprehensive approach to debt crisis resolution under the auspices of the United Nations.

We hope you find our reports relevant to inform your work on the subject of compliance of Covid-19 recovery plans and policies with the right to development.

Sincerely,



Jean Saldanha

Eurodad Director