

**Intervention for the session on
Follow-up and Review of FFD and Post-2015 MOI
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Thank you Chairs for this opportunity to address this session.

First of all I would like to emphasize at the outset that for us in civil society the matter of follow-up and review is about ensuring development justice and the accountability of our governments, international institutions and other powerful actors for the impacts of their policies and practices on our lives and our futures.

That said, we are deeply concerned that in both the Zero Draft of the FFD as well as in the OWG report, there appears to be a strong trend towards ‘outsourcing’ government responsibilities for the MOI of sustainable development to the private sector. This is especially problematic given the difficulties associated with private sector accountability resulting from weak or non-binding regulatory frameworks and the transnational nature of much of private finance and investments.

We are particularly concerned about the prominent role given to private finance in the zero draft and to public-private partnerships (PPPs) in the SDGs. Private finance is profit-oriented and tends to invest with short-term horizons, which tends to be incompatible with the equitable provision of public goods, such as social services. Further, modalities for private financing such as blended financing and PPPs increase public debt burdens and shift risks to the public sector while privatising profits.

The World Bank’s Independent Evaluation Group (IEG) points to major problems with PPPs, namely: a) increased costs to the public purse; b) lack of transparency and accountability; and c) high-risks which end up shouldered by the public. Other studies point out that publicly-subsidized private finance and PPPs tend to go to well-performing sectors anyway and thus have questionable development additionality.

Therefore, instead of merely “inviting” business to voluntarily apply socially and environmentally responsible principles, we urge member states to:

1. Commit adequate public financing for public goods and services, and ensure that essential public services, like healthcare, education, housing, and water and sanitation, remain exclusively under public control.
2. Adopt national-level regulations that prevent the extraterritorial infringement of human rights by the business sector.
3. At the UN level, establish an open, transparent and participatory space for oversight, monitoring and review of any global partnership developed with the express purpose of contributing to the attainment of SDGs. Such a mechanism must include measures for ex-ante and periodic assessments based on existing UN principles on business and

- human rights, environment and development effectiveness, and utilizing information provided by governments as well as civil society and other independent sources.
4. Engage constructively in the development of an international legally binding instrument on Transnational Corporations as mandated by the Human Rights Council resolution last June 2014.

Thank you.