



Civil20 Brazil 2024 | General Recommendations 4th Finance and Central Bank Deputies Meeting

Rio de Janeiro, July 22nd, 2024

The Civil20, which this year brings together more than one thousand and seven hundred organizations and movements from ninety-one countries, expresses deep concern about the increasingly serious polycrisis that puts our very existence and the planet at risk. While the G20 has long attempted to address economic crises, it has failed to effectively solve the economic systemic risks, and fostered unsustainable, extractive and exclusionary production and consumption models that have led us to existing inequalities and climate emergencies.

The international financial architecture, that was established eighty years ago, is not only incapable of creating solutions but has, actually, contributed immensely to the expansion of the problems themselves. Conditionalities based on hegemonic economic theory orthodoxy have generated austerity policies that have maintained most of the countries and populations in perpetual dependency while few benefitted from such arrangements.

Therefore, the Civil20 recommendations focus on substantial changes. We know change is hard for those who benefit immensely from such state of affairs, but the G20 must have the courage and responsibility to find solutions to the unfolding social, environmental and economic crisis fed by the now clearly erroneous belief in unregulated markets. Our general recommendations for the Finance Track are:

1. **Replace the GDP and the GDP per capita by a more comprehensive index** to measure development. The new index must consider social, economic and climate measures and risks for the definition of global policies.
2. Creation of a **public credit rating agency**, possibly under the auspices of the United Nations, to counterbalance the current highly biased views amplified by the oligopoly of only four private credit rating agencies.
3. **Support the UN Framework Convention on Tax** to establish the basis for a wide and progressive regime of international taxation, particularly focusing on high net-worth individuals and transnational corporations, be it in the financial, mining, pharmaceutical or digital sectors, and beyond. The C20 strongly supports the proposal of a **minimum tax on the super-rich** and the **implementation of a CBDR-RC compliant taxation of major polluters' activities**.
4. Strengthen international cooperation and information exchanges to **close tax havens, eliminate money laundering, and the loopholes that facilitate tax avoidance and evasion** through fair, effective, transparent and inclusive instruments.
5. **Reform the International Financial Institutions and Multilateral Development Banks** governance, structure and practices to (i) mainstream human rights, environmental obligations and the SDGs in economic decision-making within their mandates; (ii) increase the availability of concessional funding, such as Special Drawing Rights allocations and innovative financing

instruments - avoiding de-risking measures against public interests; (iii) change the quota system and the governance structure, such as the end of the “gentleman’s agreement” for choosing the General Manager of the IMF and the President of the World Bank; and (iv) democratize decision-making processes by guaranteeing equal voice of the Global South and the participation of representative civil society.

6. **Reduce the debt burden and its costs**, particularly for low and middle-income countries, to address liquidity and solvency problems and free up resources to finance the implementation of the 2030 Agenda and the Climate Agenda, by a non-creditor led multilateral legal debt framework

7. Urgently implement **just transition plans, with fossil fuels divestment and more ambitious climate mitigation and adaptation measures in line with a 1.5oC scenario**, act to prevent and reduce disaster risks, and to protect the rights of the people and territories in vulnerable conditions – especially in the Global South –, ensuring new, additional and flexible financing to effectively respond climate change, accessible and adapted to the needs of groups at the frontline of climate adaptation processes.

8. Ensure **parity representation of women in all their diversity in the governance** of the multilateral and national economic, social and environmental institutions, while guaranteeing interdisciplinary and gender-responsive foreign, economic and climate policies enhancing leadership and community resources, ensuring internal and external policies coherence and, particularly, recognizing indigenous/native women, as stewards of land and ecosystems;

9. **Protect workers' rights and safety, eradicate exploitation, and hold multinational corporations and the private sector accountable** for their labor practices and products, mandate disclosure of all suppliers and sub-suppliers to increase transparency and conduct publicly regular reports and independent audits of supply chains.

10. **Accurately measure the contribution of unpaid care work and reduce the disproportionate share carried by women and girls**, in all their diversity; and guarantee their access to education, decent work, and credit portfolios - both public and private - for micro, small, and medium enterprises led by women and underrepresented groups.

11. **Recognize and support the catalytic role of philanthropy**, particularly community philanthropy, to promote sustainable development and mobilize resources that are accessible to and adapted to the needs of communities

12. Generate **additional and predictable funds**, including through innovative financing mechanisms, to allow governments and civil society actions accelerate climate health and SDGs financing and maximize the efficiency of existing platforms and mechanisms, as well as **reaching, at least, the committed 0.7% ODA resources to developing countries**.