

## **Women's Major Group recommendations for OWG 5 report on sustained and inclusive economic growth, macroeconomic policy questions, industrialization, and energy**

The WMG was actively engaged in the fifth session of the Open Working Group (OWG) on sustainable development goals that took place from 25 to 27 November 2013, at UN Headquarters in New York. WMG presented recommendations to governments through interventions during the main sessions and through dialogues with delegates as well as engaging in the morning hearings with the co-chairs<sup>1</sup>. At this stage, we are concerned that the co-chairs' summary is not sufficiently balanced nor does it capture the diverse perspectives and recommendations that were put forward by member states as well as by the Women's Major Group and other civil society groups. Moreover, the summary does not recognize the recommendations on crosscutting issues addressed at the Intersessional Meeting between Major Groups and other stakeholders and the Open Working Group on SDGs held on the 22<sup>nd</sup> of November 2013. We therefore ask that the OWG report, and the future summaries of the Co-Chairs, reflect more accurately and substantively our participation and the diversity of voices and approaches offered at the OWG sessions.

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We also share the concern of some governments regarding the lack of clarity with respect to the modalities for the elaboration of the OWG report to be submitted to the General Assembly. It is of utmost importance that the OWG report is produced in a transparent and inclusive manner, with ample opportunity for member states and civil society to contribute with comments and recommendations.

We would like to call your attention to the following fundamental issues that have been consistently raised and must be considered in the OWG report and in the framing and elaboration of the SDGs:

### **1. From inclusive and sustainable growth towards sustainable development and the sustainability of life**

- The SDGs must be focused on structural and institutional transformation, which includes: the redistribution of resources, promoting productive diversification in sustainable and employment-intensive sectors, linking finance to the real economy, and tackling structural discrimination based on gender, age and race. For this, an amplification of regulation is needed from governments: on financial markets, on markets structure and competition, on

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<sup>1</sup> Please see WMG contributions in the following link:  
<http://sustainabledevelopment.un.org/index.php?menu=157>

redistributing mechanisms, on labour markets and social protection systems, including care and sexual and reproductive health services.

## **2. Macroeconomic policies for human rights realization**

- SDGs must promote the alignment of macroeconomic policies with the realization of human rights. Trade, fiscal and monetary policies should serve the real economy and foster the creation of decent work and productive and diverse local and regional economic sectors. For instance:
  - (a) The use of “food financial markets”, “vulture trading” and other commodities markets for speculative purposes should be made illegal in order to protect the right to food and other economic and social rights. Progressive tax reforms are urgent in order to tackle inequalities, promote productive diversification and reverse financialization. They should take into consideration, and modify, gender bias of tax codes and taxing structures, and redirect tax exemption from unsustainable activities towards sustainable, knowledge and employment-intensive sectors. The implementation of taxes on international financial transactions should be fostered, the collection of which should be oriented to fulfilling human rights commitments.
  - (b) The various constraints that disempower governments from implementing regulation, in particular the anti-regulation provisions in bilateral investment treaties (BITs) must be addressed by the final OWG report.

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## **2. Reversing the “race to bottom”**

- SDGs must promote the adoption of a mechanism for global cooperation to reverse the “race to the bottom”, based on trends such as tax evasion and reduction for the rich and corporations, and dilution of human rights, environmental and labour standards to attract Foreign Direct Investment (FDI). FDI should have performance requirements in order to create decent work, by eliminating the gender pay gap, providing technology transfer and skills, promoting links with small and medium enterprises and fostering territorial decentralization. This mechanism should include a binding multilateral code of conduct for transnational corporations to control and monitor their compliance with human rights obligations and environmental standards and to ensure accountability.

## **3. From inclusion towards tackling intersecting inequalities and promoting gender equality and women’s rights**

- SDG should tackle the structural causes of inequality in our societies that result in multiple disadvantages based on gender, age, ethnicity, location,

economic, education, health status or disability, among others. It is not only a matter of “not leaving anyone behind”, but of how to include everyone.

- Thus, the SDGs must promote a fair and just redistribution of economic resources (wealth and assets), as well as the redistribution of work. Unpaid care work, provided by women through all stages of their lives, is one of the main elements of economic gender inequality, and should be recognized, valued and redistributed. For this, it is crucial to reorient public budgets to expand the provision of care and social services, including social infrastructure. It is also important that social security benefits do not exclude those outside the formal waged economy, and that employment of women across both formal and informal sectors is incentivized and remunerated fairly.

#### **4. Strengthening the role of states on financing infrastructure and accountability mechanisms for the private sector**

- SDGs must promote mobilization of official resources and accurate and transparent assessment of the state’s fiscal costs and risks of Public-Private Partnerships. Member states should consider:
  - (a) Explicit and implicit contingent liabilities and debt risks: Public guarantees for public-private partnerships, often of huge sums, which the state is required to pay in the event of project failure or risk, have serious implications for sovereign debt risks;
  - (b) Governance for equity, access, affordability, and development results: the infrastructure services must be accessible and affordable to the poor and vulnerable segments of society, including women of all ages, and should facilitate development results. Governance also concerns pervasive patterns of tax evasion, transfer misplacement and regulatory loopholes in PPPs. The connection to the aggressive expansion of investor power through FTAs/BITs is significant and must be fully recognized.
  - (c) PPPs must have strong criteria assessment based on human rights obligations and environmental sustainability standards as well as effective accountability and regulatory mechanisms.

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#### **5. Towards energy sovereignty and the transformation on energy production and consumption patterns**

- SDG’s must be based on the principle of energy sovereignty, relying on decentralized democratically controlled, and responsible energy generation and use vis-a-vis people and planet. In this sense we call for:
  - (a) Energy project developments should be directed towards meeting basic human needs rather than seeking maximal profitability for industries, developers or governments.

- (b) Redistribution of energy production and use should aim to reduce current levels of gross overconsumption in some regions, while simultaneously increasing access to clean energy to meet basic human needs in others.
- (c) Strong criteria are needed to assess what kind of energy is truly sustainable, ensuring that projects do not result in ecosystem destruction, displacement of people from their lands, contamination/pollution or other harms.

## **7. A final comment on the SDG framework**

- The promotion of only an objective-based global framework implies the same risk of reducing development agendas to a list of goals, targets and indicators that perpetuate “development silos”. A Plan of Action, which includes a robust analysis of key systemic issues and the means of implementation to carry them out, should be included. Such a structure would recognize from the outset that sustainable development requires, as a minimum, adequate policy space for human rights-based development and a development and environmentally-friendly global economic environment. Targets and indicators should address cross-cutting issues so that inter-linkages among themes are clearly acknowledged.