

Note ahead of the Foreign Affairs Council Meeting on 26th May, following the [CSO letter](#) on the Fourth Financing for Development Conference (FfD4)

19 May 2025

Following the second round of intersessional negotiations on the outcome document for the FfD4, CSOs take the opportunity to remind the European Union and its member states what is at stake and why we are calling for sweeping reforms to the international governance of debt and international development cooperation.

An FfD4 outcome that simply maintains a dysfunctional status quo does not benefit anyone. Countries in the global south have made their ambition very clear when it comes to debt and development cooperation and they want their voice to be heard. This means creating the spaces where this can happen. It is time for those governments resisting or blocking this ambition to loosen their grip on power and democratise decision making. This is why we see the Council Conclusions as a unique opportunity, and perhaps the last one before the Conference in Sevilla, to define a political framework with the support of all Member States that will influence the change of direction of the European bloc's position in the negotiation of the final document.

Two concrete areas in which the EU can make a real difference:

1-We are extremely concerned about the EU's positions on debt. The proposals so far protect a status quo in which creditor governments hold the decision-making power. FfD4 needs to take bold action on debt to create a financial architecture that resolves current debt crises in a fair, fast and meaningful way and prevents future debt crises through responsible lending and borrowing. This must include an intergovernmental process such as a multilateral sovereign debt workout mechanism or an UN Framework Convention on Sovereign Debt. The Council must express political support for proposals along these lines, currently being negotiated.

2-The abandonment of long-standing commitments across the donor landscape, and the slashing of ODA budgets has put many Global South countries in a perilous situation. The system that has allowed this to happen so unpredictably and without any guardrails must be urgently replaced, if the credibility of the development cooperation is to be preserved. The current system has failed in this respect, in large part because the spaces for accountability lack representation. The UN, and in particular the Development Cooperation Forum, provides the existing global architecture to create this accountability, but it must be strengthened, expanded, and supported. Proposals along these lines have been made and should be supported. For the EU to maintain its role as a credible development actor, the Council must express political support for a more democratic governance of development cooperation.

Without concrete political direction along these lines on debt and development cooperation, the EU's credibility as a staunch supporter of multilateralism is at stake.