NIFEA Message on FfD4

A Critical Moment for Global Financial Transformation:
The 4th International Conference on Financing for Development (30 June-03 July, Seville)

Representing over 600 million Christians worldwide, the World Council of Churches, World Communion of Reformed Churches, the Lutheran World Federation, World Methodist Council, Council for World Mission, and United Society Partners in the Gospel are united in their commitment to justice and care for the most vulnerable - human and non-human alike. For churches, the issues discussed at the 4th International Conference on Financing for Development (FfD4) – a multilateral platform that brings together governments, international financial institutions, civil society, and the private sector to shape policies for mobilising financial resources for sustainable development – are not only about financing and development. They are matters of faith.

FfD4 is convening at a pivotal moment in history. The world today is grappling with a convergence of unprecedented economic, political, social, and environmental crises. Economic inequality has reached staggering, destabilising, and immoral levels. While the wealth of multi-millionaires and billionaires continues to soar, the vast majority of people struggle with rising costs for basic necessities, such as food and housing, and declining living standards. Since 2020, the world's wealthiest individuals have doubled their wealth, even as an estimated 28.9 percent of the global population – 2.33 billion people – were moderately or severely food insecure. The impacts of the Fourth Industrial Revolution (4IR) and Artificial Intelligence (AI) on the consolidation of capital and technological power, as well as on labour, are further widening socio-economic gaps. This deepening inequality has eroded trust in public institutions, weakened democratic systems, enabled corporate influence over state policy, and hindered progress on urgent climate action, reinforcing a vicious cycle of disparity and disempowerment.

We are amid an escalating crisis of biodiversity loss and climate change that threatens livelihoods and poses an existential risk to all life on Earth. The climate breakdown is both a driver of and an exacerbator of inequality. Climate change also worsens sovereign debt burdens, severely constraining states' ability to invest in resilience and adaptation.

Meanwhile, developed countries, with the greatest responsibility for the climate crisis, have consistently failed to meet their commitment to provide finances to support the majority of developing countries that are grappling with unprecedented climate catastrophes. International cooperation, multilateralism, development and humanitarian aid, as well as global solidarity with the most vulnerable, are under attack, particularly by right-wing, nationalist governments and other entities.

These interconnected crises reveal the cracks in the current global financial system and raise the stakes for what FfD4 must achieve. The moment calls not for incremental change, but for a bold reimagining and transformation of the global financial order.

Our organisations reaffirm that a just and climate-resilient world demands a **New International Financial and Economic Architecture** – one that:

- Is rooted in the principles of economic, social, and climate justice;
- Serves sustainable grassroots economies that promote human dignity, rights and the wellbeing of all;
- Limits greed and the concentration of wealth and power; and
- Prioritises social investment and environmental restoration.

Tax Justice: Reclaiming Public Resources for the Common Good

To reverse inequality, mend social divides, safeguard democracy, and confront the climate crisis, governments must reclaim the role of public finance and combat illicit financial flows, including tax evasion and avoidance, that drain resources urgently needed for development, essential services and effective climate response.

As part of the ecumenical **Zacchaeus Tax campaign**, we call for:

- **Progressive wealth taxes** at global and national levels to reduce wealth concentration and fund poverty eradication;
- **An end to corporate tax abuse**, through unitary corporate taxation methods that ensure multinational corporations (MNCs) pay taxes where real economic activity occurs; closing tax havens; publishing country-by-country profit reports; and setting up a UN Convention on Tax Cooperation;
- **Progressive carbon and pollution taxes** targeting high-emission industries and wealthy sectors, to fund just transitions to zero-carbon economies and compensate climate-vulnerable countries for losses and damages; and
- **A financial transaction tax** on trades in stocks, bonds, currencies, and derivatives to discourage harmful speculation and generate funds for global public goods, ecological protection, and reparations for historical injustices.

FfD4 must not undermine but rather support the process of establishing a binding **UN Framework Convention on International Tax Cooperation** to curtail illicit financial flows and empower developing countries to mobilise resources for sustainable development.

Debt Justice: Ending the Crisis and Building Hope

As of 2025, global public debt has surpassed $100 trillion – nearly four times the level in 2000 – while global GDP has only tripled. More than half of developing countries are in or nearing debt distress, with debt servicing often consuming more than what is spent on health and education. For many, repaying debt means sacrificing basic human rights and cutting essential services. It is always the most vulnerable who pay the highest price for austerity.

In line with the ecumenical **Turn Debt into Hope campaign,** we call on governments to:

- Cancel unjust and unsustainable sovereign debts, without imposing economic policy conditions;
- Address the roots of debt crises and reform the global financial system to prioritise people and planet; and
- Create a permanent, transparent, and comprehensive debt resolution framework under the auspices of the United Nations.

Further, we call for:

- **A UN Convention on Sovereign Debt** to replace the ineffective G20 Common Framework;
- Rejection of austerity as a development strategy, while safeguarding public spending;
- Transparent debt audits involving civil society, especially in countries facing debt distress.
- Non-debt-based climate finance for mitigation, adaptation, and loss and damage; and
- A holistic approach to global finance - connecting debt, tax justice, and climate finance.

Toward an Inclusive and Democratic Global Economic Governance

The global economy operates without adequate democratic oversight or regulation. Yet only a human rights-based framework of global cooperation can address the scale and interconnection of today's challenges. While imperfect, the UN remains the most inclusive and representative forum for global governance. We therefore urge the establishment of a UN Economic, Social, and Ecological Security Council, building on the 2009 Stiglitz Commission's proposal for a Global Economic Coordination Council, to lead collective responses to the systemic crises we face.

We further call for a fundamental renewal of international financial institutions – overseeing and coordinating monetary policies and transactions based on a long-term perspective of building economic, social and climate resilience; giving equal voice and representation to developing countries; deploying funds without structural adjustment conditions; bringing democratic accountability to financial markets; and enacting policies that invest in communities and ecological sustainability.

Now is the time to reshape global finance so it serves all people and the planet, not just the privileged few. FfD4 must be the turning point.