



National Statement by Mr. Afaq Ahmad during the Interactive Dialogue with the Independent Expert on the Effects of Foreign Debt

9 March 2022

Mr. President,

We thank the Independent Expert for her first report to the Council and wish her a successful tenure.

The issue of foreign debt and its impact on states' capacities to ensure enjoyment of economic, social and cultural rights has elicited greater attention in view of recent global financial crunch caused by COVID-pandemic. The unprecedented social and economic effects of the pandemic have further exacerbated debt burden, reduced fiscal space especially of developing countries. As a result decades of development gains have eroded and realization of rights to life, food, education and achievement of SDGs has become even more challenging.

We agree with the Independent Expert's vision in taking forward this important mandate to explore ways how international financial obligations should be managed to ensure realization of human rights. The six identified thematic areas are therefore timely.

We echo Expert's approach to ensure that global economy works for all when promoting sustainable financing, addressing weaknesses and reforming international debt architecture. Transparency and democratization in the global financial architecture especially in the work of credit rating agencies remains critical.

We would appreciate Independent Experts comments on how to mainstream the following elements in her future work:

- a)* Fulfilment of ODA commitments, repatriation of illicit assets and a fair international taxation order in building resilience, reducing inequalities and mitigating vulnerabilities;
- b)* Debt swap arrangements and re-allocation of special drawing rights towards achievements of SDGs and climate goals; and
- c)* Promoting multi-stakeholder discussions on role of credit rating agencies in global financial architecture. I thank you.