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DEBT CANCELLATION FOR GLOBAL SOUTH ECONOMIES KEY TO ATTAINING SDGS

INTRODUCTION

With barely a few days to the UN-led Sustainable Development Goals (SDGs) global summit in New York- US (September 2023), World Bank- IMF annual meetings in Marrakech -Morocco (October 2023) and, among others, the 2023 development banks' Finance in Common Summit in Cartagena- Colombia, it is barely seven (7) years to ending the hitherto targets under Sustainable Development Goals- SDGs (i.e. by 2030). The global climate change- COP28 summit host will be in Dubai- UAE from November 2023, and the just concluded AU-led Africa's Climate Summit in Nairobi- Kenya. Domestic resources, grants, private sector and households' finances, plus debt (loans) have contributed to economic strides by some countries, particularly those in global south (developing countries)- e.g. in Sub Saharan Africa.

Beyond speeches and champagne at the conferences, time is winding up yet achieving SDGs is a far away cry for global south to financing sustainable and inclusive results around **SDG #1**- End poverty in all its forms everywhere; **SDG#2**- End hunger, achieve food security and improved nutrition and promote sustainable agriculture. Or even **SDG #8**- Sustained, inclusive and sustainable economic growth; **SDG #13** - Climate action; **SDG #15** - Life on land -including Reversing man-made deforestation; and **SDG#17**- on Global partnerships. Such issues have continued a renewed call for Debt Cancellation for the global south by the global north. Regional Economic blocs and African Union should under one voice (not unilateralism) forge for debt cancellation for developing economies, to enable them fiscal space for green growth, climate change and socio-economic financing solutions for Africa and the world. Previous debt cancellations in 1990s and 2000s registered a pedigree of increased stock of economic infrastructure such as roads, energy, railways, plus clean water points, health services and human resource development. Even so, increased stock of public goods and services has still translated into increased stock of public debt, that we need a reversal of this dilemma.

Under East African Community, for instance, Uganda's small public Debt from pre-independence days in 1962, rose to nominal **$12.51 billion** in **FY2018/19** to **$15.3 billion** in **FY 2019/20** and over **$19 billion** (i.e. Ugx approximately 70.4 trillion then) by beginning of **FY 2021/22**. This was against a **GDP of $37.6 billion** in 2020 and slightly more in 2022. The picture points to a growing a debt problem rather than a rescinding one for Uganda, a similar story for global south economies in Sub Saharan Africa and Latin America. Developing countries are chocking on debt. If we are committed to achieving the **SDGs** by **2030**, the forthcoming conferences must be more practical on debt cancelation for global south than ever before.

COVID-19, locusts, wars, floods, credit markets and related adversities imply urgent actions to redeem economies in global south. This also benefits global north. Yes, a combination of top in-country priority actions must continue: cleaning up wasteful expenditures, improving domestic revenue mobilization, defeating corruption and duplication- but these will still not generate sufficient resources for **SDG targets** within the remaining seven years. The 2020 debt-service suspension axis of World Bank- IMF- G.20 (world's richest countries) under Debt Service Suspension Initiative helped a bit the global south countries from economic demise. Beyond the Special Drawing Rights small pie, African Union should struggle that Commercial creditors, bilateral and multilateral donors in global north, for significant debt cancellation and better financial landscape for global south. Such actions for capital flow reversals to the global south will truly form part of **SDG#17** on global partnerships and social justice.

UPCOMING EVENTS

- 12 -15 SEP — Training of CSOs on Special drawing Rights (SDRs)
- 12 SEP — school feeding programme meeting
- 11 - 15 SEP — District Dialogues in Teso and Karamoja Regions

Pictorial

UDN participated in the CSO/IMF quarterly meeting on debt and development issues for Uganda and globally.

UDN participated in the Consultative workshop on the Development of National Data Strategy for Uganda organized by Ministry of ICT .

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