United Nations A/62/PV.34

General Assembly

Sixty-second session

Official Records

34th plenary meeting
Wednesday, 24 October 2007, 3 p.m.
New York

President: Mr. Kerim . . . . (The former Yugoslav Republic of Macedonia)

In the absence of the President, Mr. Mavroyiannis (Cyprus), Vice-President, took the Chair.

The meeting was called to order at 3.10 p.m.

Agenda item 53 (*continued*)

Follow-up to and implementation of the outcome of the International Conference on Financing for Development

(b) High-level dialogue for the implementation of the outcome of the International Conference on Financing for Development

Reports of the Secretary-General (A/62/190 and A/62/217)

Note by the Secretary-General (A/62/271)

Summary by the President of the Economic and Social Council of the special high-level meeting of the Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development (New York, 16 April 2007) (A/62/76 and A/62/76/Corr.1)

The Acting President: I give the floor to His Excellency Mr. Nassir Abdulaziz Al-Nasser, chairman of the delegation of Qatar.

Mr. Al-Nasser (Qatar) (*spoke in Arabic*): It gives me great pleasure to participate in this High-level Dialogue held in the framework of the follow-up to the progress made in the outcome of the decisions of the International Conference on Financing for Development, held in Monterrey, Mexico, in 2002.

As the Assembly is aware, the Conference was a milestone in international cooperation for development, both in terms of the substantive goals that had been set and their method of collective action that included all partners, from Governments to international financial, monetary and trade institutions, as well as representatives of civil society and the private sector. World leaders agreed at the Monterrey summit to intensify efforts and mobilize capacities to further development efforts and to achieve the internationally agreed development goals, including the Millennium Development Goals (MDGs).

Today, five years after the Monterrey Conference, we find that the balance sheet reflects mixed results with regard to the six themes that underpin the Monterrey Consensus. In the area of domestic resource mobilization, many developing nations have made great strides in the adoption of rational and sound economic policies and good governance at all levels, to help ensure that resources are provided and used effectively, and in improving local efforts to finance development. In the framework of the implementation of the decisions of Monterrey, the Committee of Governmental Experts on International Cooperation in Tax Matters was created.

Despite efforts by developing countries to attract flows of foreign direct investment, the inflows of such investments have remained uneven in terms of distribution. In fact, few developing countries have

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received a large share of those investments and there is still an urgent need for those investments at the international and local levels.

In the area of international trade, the world is still looking forward to the successful conclusion of the Doha Round special negotiations in a manner that meets the needs of development in the developing countries. By hosting the Fourth Ministerial Conference of the World Trade Organization we in the State of Qatar, were motivated by the will to create the opportunity for the international community to come up with a round of negotiations in which the development dimension would receive a great deal of concern.

In the area of official development assistance (ODA), Qatar commends the efforts of many developing countries to implement the decisions of Monterrey and to live up to the obligations that were imposed on them by the international financial and monetary institutions to restructure and liberalize their economies. We urge the developed nations to honour the obligations and commitments they took upon themselves. The greatest possible aid should be provided on a predictable basis. A better distribution of aid should also be ensured in order to avoid the existence of preferred and less preferred recipients of donor aid.

Development aid should be channelled wherever it can contribute to generating growth and helping people in the long run to extricate themselves from the cycle of poverty. In that regard, we are concerned by the decline in the amount of ODA provided in 2006.

We would also like to commend the efforts of some countries to develop new and innovative methods of financing development. We wish however to emphasize that those methods must constitute additional sources for development and not act as a substitute for the fundamental commitments made by States, especially the commitment of 0.7 per cent of gross national income.

With regard to the debt issue and despite the positive results achieved through the Heavily Indebted Poor Countries (HIPC) Initiative, there is still an urgent need for more donations and exemptions, as well as an urgent need to develop formal frameworks for rescheduling and relieving the debts of the poor and middle-income countries in a clear and transparent manner.

With regard to institutional issues, there is still a critical requirement for action to strengthen and support the voice of developing countries in the mechanisms of economic decision-making at the international level, because the results achieved so far in that area remain short of achieving the desired expectations.

The State of Qatar has been a keen and supportive partner of development efforts, particularly with regard to combating poverty and sharing the benefits of global growth in a fairer and more equitable manner and in view of the resulting positive impacts on stability and international peace and security. The State of Qatar has hosted numerous conferences and meetings during which my country made several initiatives in support of those efforts. We recall, for example, the initiative of His Highness Sheikh Hamad bin Khalifa Al-Thani, the beloved Emir of the country, to set up the South Fund for Development and Humanitarian Assistance, and his donation of $20 million to the Fund; and his initiative to donate $10 million to the United Nations Democracy Fund and to host the first Review Conference of the International Conference on Financing for Development, to be held in December 2008. I am looking forward to seeing all of you in Doha at that time.

The Acting President: I give the floor to His Excellency Mr. Virgilio Marques Faria, chairman of the delegation of Angola.

Mr. Marques Faria (Angola): My delegation takes this opportunity to commend the President for convening this high-level meeting on an important issue on the development agenda. We would like to express our appreciation to the Secretary-General for the comprehensive documentation prepared for our discussions. We associate ourselves with the statement delivered by Pakistan and Benin on behalf of the Group of 77 and China, and the African Group, respectively.

Financing for development is one of the crucial issues that has an enormous impact on development. The implementation of the Monterrey Consensus is critical to achieving the internationally agreed development goals including the Millennium Development Goals (MDGs). In that regard, we would like to stress the need to preserve and reinforce the Monterrey Consensus. As we have discussed at the

High-level Dialogue in June 2005 and at the High-level Plenary Meeting of the General Assembly in September 2005, we are seeing encouraging signs of progress.

The pledge by the developed countries to make concrete efforts towards achieving the target of 0.7 per cent of gross national income as official development assistance (ODA) and to pursue innovative sources of financing for development is appreciated. However, there is still a lot to be done to ensure that financing for development is adequate to enable development, particularly concerning the efforts of African countries in achieving their development aspirations.

In his report (A/62/217), the Secretary-General notes that restructuring the international financial architecture to respond to profound changes in the global economy is an unfinished agenda. My delegation supports the principle of the need to strengthen multilateral consultations on various aspects of the international system, particularly the issue of a greater voice and increased participation for developing countries in global economic decision-making. In order to ensure continued relevance and enhanced effectiveness, we, the developing countries, must continue to call for all-inclusive reform of the international financial system and its governance architecture.

International trade is an important engine for development. The future of the multilateral trading system is at a crossroads. The suspension of the World Trade Organization negotiations on the Doha Round has cast a shadow not only on the future of international cooperation on trade matters, but also on the overall development expectations of developing countries. In this regard, there is a need to make meaningful progress in negotiations on agriculture, in particular as they relate to the persistence of price-distorting subsidies and other tariff and non-tariff measures. The absence of such progress directly impacts, in particular, poverty eradication and economic development.

Another important issue facing the development agenda is helping developing countries that are facing large amounts of external debt. The extent of the debt crises in these countries poses a great obstacle to advancing the Millennium Development Goals (MDGs) and taking forward human development. We believe that the debt cancellation must continue to receive the needed support of the international community. Therefore, my delegation would like to join those who are calling for additional measures and initiatives aimed at ensuring long-term debt sustainability through increased grant-based financing, the cancellation of 100 per cent of the official multilateral and bilateral debt of heavily indebted poor countries and significant debt relief or restructuring for low- and middle-income developing countries with an unsustainable debt burden.

Angola, as a developing country, is committed to accelerating its economic growth and diversifying its domestic financial sectors. We have adopted national macroeconomic policies that promote sustained economic growth and a supportive investment climate. One of our financial priorities is to facilitate the financing of productive investments, particularly by stimulating the creation of small and medium-sized enterprises. We are also giving special attention to access for all segments of the population to financial services by promoting microcredit. This has led to significant progress over recent years, both in economic terms and in our effort towards achieving the MDGs.

Let me finish by stating that it is our conviction that the presentations being given here have substantially contributed to assessing the progress made, recognizing obstacles and constraints and identifying new challenges and opportunities for developing countries to overcome current difficulties in their development process.

The Acting President: I now give the floor to His Excellency Mr. Steve Dick Tennyson Matenje, chairman of the delegation of Malawi.

Mr. Matenje (Malawi): First and foremost, I thank the presidency for holding this third High-level Dialogue on Financing for Development. My delegation endorses the statements made on behalf of the Group of 77 and China, the least developed countries and the African Group by the delegations of Pakistan, Bangladesh and Benin, respectively. However, allow me to make a few remarks from our national perspective.

The Government of Malawi attaches great importance to the commitments made by world leaders in 2002, through the Monterrey Consensus on financing and development, for the achievement of the internationally agreed development goals, including the Millennium Development Goals (MDGs). The Monterrey Conference reflected the resolve of the international community to assist the developing countries to eradicate poverty, adhere to sustainable economic growth and development and to participate fully in an inclusive and equitable global economic system.

Our hopes for attaining the MDGs by 2015 were boosted in 2006 when Malawi qualified for debt relief under the Heavily Indebted Poor Countries Debt (HIPC) Initiative. The Malawi Government is determined to invest the resources freed under the HIPC Initiative in socio-economic programmes that meet the criteria outlined in its national strategies.

However, in the broader context of seeking to increase the level of resources available for development and using those resources more effectively, we wish to speak of the issue of access to financing for development, which we consider should be part of the agenda for renewed efforts for implementation of the Monterrey Consensus.

Our experience is that whatever the level of resources that are available or additional resources that might be raised, some countries, such as Malawi, have constrained access to those resources. This is due, in large part, to the allocation frameworks that are used and the weak capacities of the countries to meet the conditions for accessing the resources. As a result, the countries access fewer external resources than are needed to complement local resources to achieve the MDGs and to finance capital infrastructure to spur the growth that is required to reduce poverty on a sustainable basis.

Decisions on resource allocation and continued disbursement are based on debt sustainability frameworks, country performance and institutional assessments and localized performance assessment frameworks. These criteria have inbuilt problems that prevent least developed countries, such as Malawi, from accessing resources over and above the Multilateral Debt Relief Initiative and from accessing new financing facilities. For example, the traffic light system of the debt sustainability frameworks means that some least developed countries have constrained access to resources because the criteria used favour the giving of more grants than loans to those countries. While this is justified in terms of preventing the least developed countries from reverting back to unsustainable debt situations, the system limits their access to loans; yet, it is through loans that large allocations are permitted.

Additionally, the timing and calculations of the scores of debt sustainability frameworks, country performance and institutional assessments and performance assessment frameworks that are used to make decisions are historical, with long time lags. Countries like Malawi that have recently registered significant improvements in economic governance or performance find that their scores do not reflect those improvements.

My delegation, therefore, recommends that the allocation frameworks and the calculation of indicators should be revised so that, first, a premium could be given for recent strong progress in reforms. The criteria should capture the percentage improvement in scores, using formulas that quickly recognize and reward improvements in performance. Secondly, variables representing need — for instance, poverty levels — should be those that are more MDG-oriented, rather than just based on gross domestic product per capita. That is because countries that are further away from achieving the MDGs have a greater need for resources. Thirdly, low scores should be seen as both indicators of performance and justification for more assistance. In addition, the calculation of performance-based allocations or performance assessment frameworks should be done in a transparent manner, in consultation with the Government and other stakeholders.

Vertical funds, such as the global funds, the Education for All Fast Track Initiative and the Millennium Challenge Account, are veritable forms of resource mobilization. In order to increase the access of least developed countries to those resources, special attention should be paid, first of all, to reviewing the criteria for accessing the vertical funds. In addition, countries should be assisted in building capacity to meet those criteria. Secondly, analysis should be done on a global level to ensure that the allocative efficiency of various vertical funds is MDG-responsive, meaning that too many resources should not be tied to one area that responds to a particular Millennium Development Goal at the expense of the achievement of the other Goals. We hope that these matters of access to resources will be given as much attention as the issues of the level and the effectiveness of resources.

The General Assembly, in its resolution 61/229 on the New Partnership for Africa's Development (NEPAD), called upon the international community to devote part of its resources to the development of Africa. My delegation is therefore very optimistic that the international community will continue to assist Africa, through the NEPAD initiative, in its quest to move out of extreme poverty.

In conclusion, Malawi looks forward to a successful High-level Dialogue on Financing for Development, which is expected to provide a major substantive contribution to the preparation of the Doha Conference. We also look forward to the Review Conference on the implementation of the Monterrey Consensus, to be held next year in Doha.

The Acting President: I now give the floor to His Excellency Mr. Jalel Snoussi, chairman of the delegation of Tunisia.

Mr. Snoussi (Tunisia) (*spoke in French*): This third High-level Dialogue on Financing for Development marks an important stage in the process leading up to the Follow-up International Conference planned for Doha in 2008 is an opportunity for all sectors of the international community to evaluate the current situation and to explore other approaches and perspectives.

Before I raise a few points that are of particular importance to Tunisia, my delegation wishes to associate itself fully with the statements made by the representative of Pakistan on behalf of the Group of 77 and China and by the representative of Benin on behalf of the African Group.

There is no doubt that since the Monterrey Conference we have seen fresh momentum in financing for development, a subject that has become more visible. This has made possible the establishment of a number of specific projects and mechanisms and the emergence of new financing opportunities. However, that positive momentum has not led to action sufficiently consistent and tangible to permanently reverse the trends and to truly place financing for development in all its forms at the core of international activities.

In his report (A/62/217), the Secretary-General draws the same mixed conclusions. While progress has been accomplished in some areas, much remains to be done in others. The same appeals and the same concerns continue to be repeated on debt, trade, official development assistance (ODA), the international financial architecture, innovative sources of financing, institutional coherence and system-wide balance.

All these appeals share one common denominator: the implementation of commitments undertaken in the development field. As has been indicated, the Monterrey Consensus was the outcome of common agreement on a global partnership for development in which all stakeholders have committed themselves to fulfil a number of commitments in six major areas. Their interactive development and comprehensive implementation should be a real engine for economic, political, social and human development.

However, we note that the Monterrey Consensus, which is rightly considered the cornerstone of development, is today facing obstacles in its implementation. That is a crucial point, and the international community, in particular the United Nations, must give it higher priority and ensure an enabling environment for success.

My delegation wishes to briefly draw attention to the following points. First, the links of synergy and interaction among trade, development and financing have largely been established. The implementation, of the Doha Development Agenda, in the framework of the multilateral trade negotiations of the World Trade Organization (WTO), can gradually lead to balanced trade relations and provide additional trade resources for development. All countries have an interest in ensuring the success of the Doha Agenda. Here, it should be noted that this is the first time in the history of the General Agreement on Tariffs and Trade and the WTO that development is at the centre of a negotiating round.

Secondly, given the negative impact of debt on the capacity for financing and development, my delegation believes that the international community can identify debt alleviation and debt relief mechanisms without compromising the stability of international financial institutions or the financial capacity of developed countries. The idea proposed some time ago to hold within the United Nations a substantive debate on the issue of external debt, in order to agree upon a sustainable and predictable solution, deserves consideration.

Thirdly, official development assistance is seen as a prerequisite and an engine for any strategy to mobilize international financial resources. In developing countries, in particular in the poorest among them, the macroeconomic reforms come up against needs to which ODA and other mechanisms could respond. Despite the commitment of many countries eventually to devote 0.7 per cent of their gross national income (GNI) to ODA, the volume of ODA dropped in 2006. This risks further slowing down the process of attaining the MDGs.

Fourthly, climate change cuts across all areas linked to development and is symptomatic of the disparities we see in the global economic order. The major adaptation challenges and the ways to combat climate change are an additional handicap for countries already struggling with development problems and requiring financing. This means a double adaptation for developing countries that not all of them are able to effect. Climate change, thus, is another aspect that we need to take into consideration in any approach to financing for development.

Fifthly, through their high level of integration in the global trading and financial markets, their demographic density and their contribution to the development and strengthening of South-South cooperation, middle-income States play a major role in the stabilization of the international economic and political environment. But they remain vulnerable and face development and poverty issues; they are particularly exposed to trade and financial risks. That group of countries still has specific needs and should not be penalized for their development efforts. Development partners should maintain their support, as recommended at the World Summit of September 2005.

Finally, it is my delegation's view that the financial flows from migrants remain a source of financing for development which is hardly or poorly exploited, because transfer costs are so high that they drain the funds being transferred, encouraging the use of indirect routes, to the detriment of official channels. Thus, much of that money remains outside of national financial systems. We must therefore agree on an international mechanism to reduce the costs of money transfers so that we can provide additional resources for financing for development.

Like other speakers, my delegation supports the idea of establishing a United Nations mechanism to monitor the implementation of commitments under the Monterrey Consensus in line with modalities to be agreed in a collective manner. The Monterrey Conference was an important step. Let us hope that the 2008 Doha Review Conference will be a true turning point in consolidating our achievements launching a new dynamic in the process of financing for development.

The Acting President: I give the floor to His Excellency Mr. Juan Antonio Yáñez-Barnuevo, chairman of the delegation of Spain.

Mr. Yáñez-Barnuevo (Spain) (*spoke in Spanish*): The Spanish delegation endorses the statement made by the representative of Portugal on behalf of the European Union.

As other speakers have stressed, we have reached a special moment in the debate on financing for development, and this High-level Dialogue is an excellent opportunity to take stock of the achievements made since the 2002 Monterrey Conference, in the perspective of the 2008 Doha Conference, and building on our commitment to achieving the Millennium Development Goals (MDGs) by 2015. It must be said that we have undoubtedly made progress, but world population and poverty statistics show that there is still much to do.

Spain believes that the international context of economic growth in recent years must be exploited as an opportunity to advance resolutely in fulfilling the MDGs, and we have firmly committed ourselves in that direction, significantly increasing our official development assistance. By increasing the amount and quality of our aid, working towards gender equality, supporting the introduction of innovative instruments for financing, and striving to improve the effectiveness of cooperation mechanisms, in line with the Paris Declaration, Spain believes that we are making a significant contribution to that end.

In only four years, Spain has more than doubled its official development assistance, raising it from 0.24 per cent of our gross domestic product (GDP) in 2004 to the foreseen goal, already inscribed in our State budgets, of 0.5 per cent in 2008. We are committed to reaching the goal of 0.7 per cent in 2012, and the trend over the past few years bears witness to the fact that it is possible to do so. In 2007, Spain has allocated an amount close to $6 billion to assistance.

Furthermore, Spanish cooperation follows a geographic and sectoral distribution focused on human needs and least developed countries. In that regard, the bulk of our recent efforts has focused on sub-Saharan Africa, without neglecting other regions that traditionally receive preferential attention. On the other hand, we have not forgotten the multidimensional nature of poverty, including geographic areas — specifically, Latin America and northern Africa — in which macroeconomic data hide very different social realities. In that regard, we welcome the conclusions of the second Conference on Middle-Income Countries recently held in El Salvador, which continued the effort begun in Madrid in March.

Spain supports and clearly favours a multilateral approach to the policies of development cooperation. In that sense, in the past three years we have strengthened our contribution to the concessional funds of multilateral banks, and in particular the United Nations system. In that case, and in the context of our multilateral aid, our contribution to the United Nations rose from 4.5 per cent of such assistance in 2004 to 16.6 per cent in 2006, and it is expected to reach 35 per cent in 2007.

In implementing that commitment, we launched the United Nations-Spain MDG Achievement Fund in late 2006. So far, the Fund has entailed an outlay by Spain of €528 million — about $700 million — to fight poverty. The Fund works under the administration of the United Nations Development Programme and contributes in an innovative and comprehensive way to the reform process of the United Nations, in particular to the implementation of the “One United Nations” pilot programmes.

Furthermore, Spain recognizes the prominence of the international financial institutions in development issues. We are therefore committed to continuing to increase our contributions to the concessional funds allocated to least developed countries, such as the World Bank’s International Development Association or the African Development Fund.

The international community must not stop attending to the issue of the foreign debt of developing countries, either through cancellation or by exploring the possibilities of exchanging debt for development. In Spain, the share of debt relief rose from slightly more than 10 per cent of bilateral aid in 2003 to almost 30 per cent in 2006, and we have also launched such innovative initiatives as the Debt Relief for Education and Development programme.

In addition, looking forward to the Doha Conference in 2008, Spain firmly supports the focus on mechanisms that create innovative sources of development, which we have joined from the moment they were launched. That is the case of such funds as the International Finance Facility for Immunization, the Global Alliance for Vaccines and Immunization, and the Education for All Fast Track Initiative. We must also highlight the efforts of the members of the Initiative against Hunger and Poverty, to which we belong, with such results as the International Drug Purchase Facility, or the initiative on migrant remittances. Within that framework, Spain is also contributing to the Funding Facility on Remittances in rural areas set up by the International Fund for Agricultural Development.

In short, the valuable legacy of the Monterrey Conference and the international community’s commitment to achieving the MDGs offer us a foundation for work to deepen and broaden our horizons in the fight against poverty and in the improvement of instruments for development. We must act with urgency and ambition. Spain reiterates here its commitment to reaching those internationally agreed goals and to working towards the success of the 2008 Doha Conference.

The Acting President: I give the floor to His Excellency Mr. Aldo Mantovani, chairman of the delegation of Italy.

Mr. Mantovani (Italy): First of all, allow me to subscribe to the statement made by the representative of Portugal on behalf of the European Union.

Seven years ago, we promised to halve poverty by 2015. We are now half-way to 2015, but we are not half-way to reaching our goals, as clearly shown by the 2007 report on the Millennium Development Goals (MDGs). A lot remains to be done, mainly because the resources devoted to development assistance are far from sufficient.

Italy has committed itself to doing more and to doing better. In 2007, we expect the percentage of our gross national income devoted to official development assistance (ODA) to increase substantially. Funds for development cooperation have more than doubled; special funds have been allocated to development assistance to countries where Italy is supporting peace missions. Some $350 million have been paid to the Global Fund to fight HIV/AIDS, Tuberculosis and

Malaria. Earlier this month, an ad hoc law directed about $1 billion to development assistance; $200 million are about to be channelled through United Nations agencies, in addition to the usual contributions traditionally devoted each year to international organizations. That is a clear signal of our willingness to improve not just the quantity but also the quality of our aid, and to strategically contribute to the achievement of the MDGs.

We all know that ODA is not the only answer to the needs of developing countries. There are several additional venues that can be explored and that — let me stress this point — must be considered additional to traditional ODA. Italy is deeply engaged in identifying innovative sources to finance development. We joined the Leading Group on Solidarity Levies to Fund Development earlier this year, and we look forward to the contributions which that Group will provide on the way to Doha.

Migrant remittances are increasingly attracting the attention of the international development community. There is no doubt that migrants' remittances are private capital, and only their owners are entitled to decide on their use, but that growing, countercyclical and predictable flow of capital in the region of $300 billion a year could and should be made easier, safer, more transparent and more productive. For instance, by simply reducing the costs of remitting money to the countries of origin of migrants, the capital available for consumption and investment would be increased by an equal amount. The greater use of formal channels and banks would better match savings and investments. Leveraging remittances towards social and economic projects, in particular through the promotion of a better investment climate, would be beneficial not only for local communities, but also for the receiving countries as a whole. Better statistics are a prerequisite; that is why we commend, for instance, the efforts of the International Fund for Agricultural Development, which presented a comprehensive survey on that subject a few days ago.

On 9 February, an advance market commitment (AMC) initiative was launched in Rome. AMC is an innovative mechanism through which pharmaceutical companies are encouraged to invest in research for new vaccines at affordable prices. A pilot project on pneumococcus — a deadly disease that claims millions of children's lives — will become operational in the next few months. That innovative mechanism was promoted by Italy, endorsed by the G7 and supported by a group of countries that will commit themselves, through legally-binding agreements, to contributing $1.5 billion. Italy alone has committed to over $600 million.

Another innovative initiative is the International Finance Facility for Immunization (IFFIm), which some previous speakers have already mentioned today and which seeks to provide significant up-front financing for vaccine purchases by tapping capital markets through donor States' guaranteed bonds. Again, Italy will contribute $600 million over a number of years. I would like to stress that those initiatives, and others such as the International Drug Purchase Facility, are mutually reinforcing. IFFIm aims at making the purchase of existing vaccines less costly for developing countries, while AMCs aim at supporting the research and development of new vaccines. Both are designed to help achieve MDGs 4, 5 and 6.

Although no single MDG can be prioritized, we feel it is important to mention that Italy has devoted many funds and efforts to the health sector because we believe that there can be no way out of poverty if sanitary and hygienic conditions are not decent. There can be no future if children have no chance to become adults.

It is in that belief that, in Heiligendamm, together with the other G-8 countries, we agreed to increase our financial commitment to the fight against the three great pandemics, and our yearly contribution to the Global Fund will amount to $180 million over the next three years. Moreover, since 2003, Italy has invested about $80 million in research for a vaccine against HIV/AIDS.

All Italian initiatives, in every sector of development cooperation, have a common denominator: ownership. Development must be fully owned by partner countries. Project modalities cannot be imposed; they have to be negotiated and agreed upon by both donors and recipients. We are committed to implementing the Declaration on Aid Effectiveness, which was initiated in Rome and completed in Paris. We believe that respecting its five principles is crucial to improving the impact of aid in recipient countries. Results cannot be measured only in terms of gross domestic product growth. More factors have to be considered, including people's perception of their lives, their surroundings, their prospects and their future. That is why a global partnership for development is becoming more and more necessary.

That approach is particularly important when it comes to aid for trade. Developing countries need above all to increase their productive capacity. This is why we strongly support what we call aid for local trade. Our main aim is to foster fair and sustainable trade. In that perspective, we feel that the global aid for trade agenda needs to be studied and revised, giving the proper weight to ethical considerations.

The basic purpose of all the MDGs is to improve people's lives. That is what we are all working for. There are still seven years to go, and to make it happen we need a global approach and global commitment, with the active involvement of non-governmental organizations and private companies, and a road map to action combining all available energies and exploiting all possible synergies in the framework of the United Nations system.

The Acting President: I give the floor to Her Excellency Ms. Claudia Blum, chairperson of the delegation of Colombia.

Ms. Blum (Colombia) (*spoke in Spanish*): Colombia aligns itself with the statement made by the representative of Pakistan on behalf of the Group of 77 and China, as well as with the statement made by Chile on behalf of the Rio Group.

My delegation congratulates the President of the General Assembly on his contribution to convening this High-level Dialogue. It is undoubtedly a valuable opportunity to renew the international community's commitment to the follow-up of the International Conference on Financing for Development and the implementation of its results, as well as to reinvigorating political support for the 2008 Doha Conference, which has extraordinary significance in that context.

It has been more than five years since the adoption of the Monterrey Consensus, and significant tasks arising from the agreement remain to be undertaken. While many developing countries have since deepened their positive internal processes in order to address the financial challenges of development, actions in that regard have not always been met with equivalent responses in the multilateral context, especially on the part of the developed countries.

International trade, identified in the Consensus as an engine for development, is an area that exemplifies that situation. Efforts made by developing countries towards the liberalization and internationalization of their economies — with tangible and encouraging effects in many cases — continue to encounter obstacles in international markets, including protectionist measures, distortion and excesses in the use of non-tariff barriers. The follow-up to the Monterrey Conference must be used to promote more favourable attitudes and settings for free trade in equitable conditions at the bilateral, regional and multilateral levels.

I would like to point out five other areas that Colombia considers to be crucial to promoting concrete and positive responses to the efforts of developing countries to advance in the Monterrey agenda.

First, the coherence and consistency of the international monetary, financial and trading systems must be promoted with a view to supporting development. Secondly, greater transparency must be encouraged in the international financial markets so as to promote progress in the implementation of innovative financing while avoiding the dangers of volatility and the lack of clear regulatory frameworks. Thirdly, the restructuring of the international financial architecture — identified in the Secretary-General's report as an unfinished task — is necessary if a more stable, secure and predictable system is to be built and the greater involvement and participation of developing countries ensured. Fourthly, we must design and implement mechanisms to track progress in the genuine implementation of the global partnership for development, contained in Millennium Development Goal 8. Fifthly, financial and technical cooperation with middle-income countries must be increased in order to meet the poverty eradication challenges that those nations continue to face, as well as to avoid jeopardizing the significant achievements attained to date and to enhance their role as catalysts of development.

In recent years, Colombia has enacted various measures and policies with remarkable results in the social, macroeconomic and sustainable development fields that have put the country on track to achieving the Millennium Development Goals. Those actions demonstrate the resolve of the Colombian Government in areas that are relevant in the context of these deliberations. Among those actions, I would highlight the mobilization of domestic resources for development, in particular education, housing, social welfare, environmental protection and the energy sector; the broad internationalization of trade; the consolidation of a clear and integrated financial framework; the establishment of sound and accountable fiscal policies; and the promotion of an economic environment conducive to employment generation, domestic and foreign investment, and private entrepreneurship with social responsibility, which has been promoted by our democratic security policy.

I conclude by ratifying Colombia's firm commitment to implementing policies for development and international agreements in this field, such as those arising from the Monterrey Consensus. The members of the General Assembly may rest assured that my country will continue to work constructively in order to contribute to the follow-up and implementation of those agreements and to seize the opportunities for progress offered by such important events as the upcoming Doha Conference.

The Acting President: I give the floor to His Excellency Mr. Ahmad Abdulrahman Al-Jarman, chairman of the delegation of the United Arab Emirates.

Mr. Al-Jarman (United Arab Emirates) (*spoke in Arabic*): At the outset, I wish to extend to the President of the General Assembly our sincerest thanks and appreciation for convening this important meeting and for his generous efforts to provide it with optimal guidance.

I am pleased to extend my thanks to the Secretary-General for his valuable reports on the issue before us today.

Since its inception, the United Arab Emirates has pursued a foreign policy based on the principles of mutual respect and constructive cooperation in all fields, and on making an effective contribution to development and stability throughout the world. Prior to the adoption of the Monterrey Consensus, the Emirates was a bellwether in providing development assistance to sisterly and friendly nations. We are also eager to focus on the development of our own country in all fields, in accordance with our comprehensive national development strategy. The 2002 Monterrey recommendations were consequently in full accord with my country's development policies at the international and domestic levels.

Domestically, my country has sought to mobilize local financial resources for development; create an environment conducive to promoting human, economic and social development through an economic policy for development based on the rational and reasonable exploitation of petroleum revenues; and to create the infrastructure necessary to diversify our sources of national income and development in the agricultural and industrial sectors, the liberalization of the economy, and the promotion of private domestic and foreign investment. Such efforts have placed my country third in West Asia in its ability to attract foreign direct investment, according to the 2007 report of the United Nations Conference on Trade and Development.

On the basis of all this, the United Arab Emirates has created an environment conducive to private domestic and foreign investment, including development investment and other projects to enhance the national economy; encourage the private sector and give it a bigger role in the development of our country; and strengthen the financial and banking systems, utilizing information and communications technologies in all State and private facilities and making them accessible to all.

Internationally, my country effectively contributes to the international development partnership. Most recently, it allocated $10 billion to education in the Middle East and to Dubai's initiative to educate a million children in developing countries. My country has also joined bilateral and multilateral conventions and agreements in the economic, cultural and industrial fields and has provided direct development assistance to many developing countries through national development institutions, first and foremost the Abu Dhabi Fund for Development, in the form of concessional loans, grants and aid amounting to more than $70 billion. Ninety-five developing countries have benefited from those funds. We have also invested directly in those countries.

My country's foreign assistance amounts to 3.5 per cent of its gross domestic product, exceeding the 0.7 percentage rate stipulated by the Monterrey Consensus. Moreover, we contribute substantially to the United Nations agencies and all its regional and international institutions. We also make direct financial and in-kind contributions to promote reconstruction in countries emerging from or still immersed in armed conflicts.

My country recently joined the Donor Support Group of the Office for the Coordination of Humanitarian Affairs. We have also assimilated large numbers of foreign workers — most of whom are from developing countries — into our work force. That is considered a positive contribution to the international efforts to reduce poverty and unemployment in developing countries in view of those workers' remittances, which are among the sources of financial flows to fund development in developing countries.

The United Arab Emirates reaffirms once again its commitment to implementing the recommendations set out in the Monterrey Consensus. We reiterate that it is essential that the international community, particularly industrialized and developed countries, continue to fulfil all the commitments called for in the Monterrey Consensus and to work to overcome all political and financial impediments hampering their full and swift implementation.

In conclusion, we look forward to the holding of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, to be held in Doha, Qatar, in 2008, so that we can gain a broader and clearer vision of ways to more effectively implement all the recommendations set out in the Consensus. Thus, we will fulfil the international community's aspirations to improve the humanitarian situation in all countries throughout the world, and we reaffirm the importance of meeting in full the commitments made by principal stakeholders at the Conference. The United Arab Emirates will continue to cooperate with the international community in every way possible to accelerate and facilitate development programmes in developing countries, in keeping with the Millennium Development Goals and the 2005 World Summit Outcome.

The Acting President: I now give the floor to His Excellency Ambassador Iván Romero-Martínez, chairman of the delegation of Honduras.

Mr. Romero-Martínez (Honduras) (*spoke in Spanish*): We have listened very attentively to the important statements that have been made at this meeting. All of them have largely agreed that, five years after the Monterrey Consensus, there has been progress and some success, but, at the same time, that the overall aspirations and objectives of the Consensus remain unfulfilled. We are focusing our visions of the future on the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, to be held in Doha during the second half of 2008.

I believe that we can draw a number of important conclusions from the statements that have been made here. As the representative of Chile said on behalf of the Rio Group, the path to Doha should be open to participation by all stakeholders that have some relation to financing for development, namely, States, international financial institutions, United Nations bodies and other international regional and subregional agencies. In particular, it should be open to active participation by civil society and the private sector, without forgetting equal gender participation.

This morning, a delegation indicated to us that official development assistance last year represented only 0.3 per cent of the gross national product of developed countries. In real terms, that represents a 5.1 per cent decline compared with 2005. Those statistics oblige us to seek innovative forms of development, the harmonization of existing efforts and, in particular, a fundamental rethinking of development and the fight against poverty. This will require sufficient political will on the part of States to fulfil their agreed obligations.

The mobilization of national financial resources for development, as indicated in the Monterrey Consensus, will not be viable unless countries on the way to development are offered new and better alternatives for their exports and equitable and just prices for their exportable products, and unless unjust subsidies and tariff barriers are eliminated. Similarly, while progress has been made in relieving external debt, such debt remains an enormous burden on the majority of our countries, hampering good governance and the proper functioning of national, public and private institutions.

The fight to eradicate poverty continues to be a constant objective in the majority of our nations. But poverty also remains a tangible reality, even in the remotest corners of the globe.

That is why we believe that we are in an important phase of reflection, which can enable us to conduct a frank and cool analysis of the current situation in all our regions. An unjust world economic order and financial cooperation that does not take national realities into account will lead only to a lack of concrete results and to frustration of the objectives that we seek.

Our country believes that cooperation can never be a gift; rather, it is an instrument of development, enabling us to move forward with the objectives of improving our societies and, in particular, improving living conditions for human beings throughout the world. Cooperation must be an instrument of human development, well managed well and with clear objectives, that helps us to combat corruption, ensure respect for human rights and achieve more just and equitable societies.

Our country is prepared to participate in all international forums that enable us to make progress towards better societies and better living conditions for peoples. That is why we welcome this kind of meeting, as well as all the reports produced. If we create an environment of confidence, clear realities and mutual cooperation among all international actors, we will have moved in the right direction. So let us move forward with will and political resolve to ensure that the Doha Conference will mark the beginning of a new outlook and new results for a better world: a world of peace, a world without war, a world with social justice.

The Acting President: I now give the floor to His Excellency Mr. Henri Raubenheimer, chairman of the delegation of South Africa.

Mr. Raubenheimer (South Africa): My delegation is pleased to associate itself with the statements made by the representative of Pakistan, on behalf of the Group of 77 and China, and by the representative of Benin, on behalf of the African Group.

In Monterrey, Mexico, in March 2002, heads of State and Government noted with concern the dramatic shortfalls in the resources required to achieve the internationally agreed development goals, including those set out in the United Nations Millennium Declaration. Since then, the situation has deteriorated even further. The heads of State and Government therefore resolved to address the challenges of financing for development around the world, in particular to eradicate poverty, achieve sustained economic growth and promote sustainable development in developing countries and, in so doing, to advance to a fully inclusive and equitable global economic system.

The heads of State and Government further stated that their first step towards ensuring that the twenty-first century becomes the century of development for all will be geared to mobilize and increase the effective use of financial resources and to achieve the national and international economic conditions needed to fulfil internationally agreed development goals, including those contained in the Millennium Declaration. This demanded a new partnership between developed and developing countries, which required a commitment to mobilizing domestic resources, attracting international flows, promoting international trade as an engine for development, increasing international financial and technical cooperation for development, sustainable debt financing and external debt relief, and enhancing the coherence and consistency of the international monetary, financial and trading systems.

Our leaders, through the outcomes of all major United Nations conferences and summits, have laid the necessary foundations to enhance development. The substance is in place, the commitments have been made, the systemic issues have already been agreed upon. Five years after Monterrey, the full and timely implementation of the Monterrey Consensus, including all the outcomes of all the major conferences and summits in the economic, social and related fields, is still to be achieved. It is therefore important to accept that what is actually lacking now is implementation.

South Africa’s position on the need for follow-up to the International Conference on Financing for Development is a matter of public record. Our message has been consistent: follow-up requires decisive action on each and every one of the commitments that have been made at the major United Nations summits and conferences in the economic, social and related fields.

In this regard, South Africa cannot overemphasize the need for the United Nations to play a fundamental role in the promotion of international cooperation for development and for the coherence, coordination and implementation of the actions agreed upon by the international community. We believe that strengthening coordination within the United Nations system, including with the Bretton Woods institutions and the

World Trade Organization, is a priority, in order to support sustained economic growth, eradication of poverty and hunger, and sustainable development in developing countries. This is essential if the United Nations is to fulfil its mandate of achieving an equitable, integrated, coordinated and comprehensive approach to the global partnership for development to create a better life for all those millions of people who so desperately need to be lifted out of dehumanizing and degrading poverty and hunger.

The Review Conference on Financing for Development scheduled to be held in Doha next year is an ideal opportunity for the United Nations to monitor and track progress and review implementation of the Monterrey Consensus and to establish an effective mechanism to monitor, review and follow up that implementation. It will provide us with a timely opportunity for stocktaking both in terms of achievements and the requirements for full implementation.

At this time we wish to once again reiterate the call to developed countries for the full and timely implementation of the global partnership for development so as to enable developing countries to achieve the goals and targets of the internationally agreed development goals, including the Millennium Development Goals, by 2015. Anything less would undermine the good faith with which we have all along been assured that commitments made would be implemented. We would not want those commitments to be denigrated to mere lofty ideals of development.

The Acting President: I now give the floor to the chairperson of the delegation of Brazil, Her Excellency Mrs. Maria Luiza Ribeiro Viotti.

Mrs. Viotti (Brazil): This High-level Dialogue is rather timely. It provides an opportunity to start preparing a successful conference on financing for development next year. We expect this meeting to lead to the convergent views we need in order to build a true international partnership in favour of the achievement of the Millennium Development Goals (MDGs).

As Brazil associates itself with the interventions made by Pakistan on behalf of the Group of 77 and China, and by Chile on behalf of the Rio Group, I would like to convey our national perspective on the challenges that lay ahead.

Brazil fully concurs with the notion that countries are responsible for their own development and that international cooperation should support national efforts, as expressed in the Monterrey Consensus.

In Brazil, economic policy has been successful in reconciling macroeconomic stability and growth with income distribution. One key achievement of such policy was a significant reduction of poverty. Brazil has attained the first Millennium Development Goal ten years ahead of the agreed schedule. Since the MDGs were launched, forty million Brazilians have been lifted above the poverty line. In addition, the current Growth Acceleration Plan will not only boost short-term economic growth but also strengthen the foundations for long-term, sustained growth. Brazil has sharply decreased its external debt and, having accumulated international reserves of more than $162 billion, has become a net creditor. As a result, the external vulnerability that interrupted previous growth cycles has been greatly reduced.

Brazil is hardly alone in its efforts. Throughout the developing world, sound economic policies, coupled with an enhanced investment climate, have helped to mobilize domestic resources for development. It is clear, therefore, that developing countries are fulfilling their commitments under the Monterrey Consensus.

However, a global economic environment conducive to growth remains critical. Macroeconomic stability in the developed world is essential to maintain the current positive momentum. Financial turbulence generated in the industrialized world should not be allowed to hinder the mobilization of resources for development.

International trade is equally important in supporting the efforts undertaken by developing countries. In paragraph 26 of the Monterrey Consensus, developed countries committed to placing the needs and interests of developing countries at the heart of the Doha Round. Unfortunately, this commitment remains unfulfilled. The issues particularly relevant to developing countries, as agreed in paragraph 28 of the Consensus, have not been properly addressed. My delegation urges developed countries to honour such commitments.

Brazil has spared no efforts to help negotiations move forward. President Lula himself has been personally involved. However, immobility on the part of some developed partners has made it difficult to reach consensus. The successful conclusion of the Doha Round, with meaningful progress in agricultural goods, would greatly contribute to poverty reduction in the developing world.

The urgent need for greater access to the markets of developed countries does not efface the fact that South-South trade has become increasingly important for developing countries. Such a trend has been certainly stimulated by the Global System of Trade Preferences. The completion of the current negotiations stands as a powerful instrument to strengthen the commercial ties in the developing world. Another avenue of cooperation is aid for trade. Developing countries will benefit from enhanced market access eventually brought about by the Doha Round only if they can overcome domestic obstacles to export growth. With this in mind, Brazil has offered technical assistance to aid for trade within the framework of South-South cooperation.

The Doha International Conference on Financing for Development should not only review the implementation of the Monterrey Consensus, but also discuss the successful launching of innovative finance mechanisms. Since he first took office, President Lula has promoted international mobilization aimed at fighting hunger and poverty. The Action against Hunger and Poverty, launched by Brazil, Chile, France and Spain during the fifty-ninth session of the General Assembly, has produced concrete results.

The International Drug Purchase Facility (UNITAID) was launched last September. It is a mechanism, hosted by the World Health Organization and funded mainly through a solidarity levy on air tickets, which aims to facilitate access to drugs for HIV/AIDS, malaria and tuberculosis. The Facility operates through pooled procurement and direct negotiations with producers. Just one year after its inception, UNITAID has already disbursed over $250 million in 80 beneficiary countries. Converging initiatives, such as the International Finance Facility for Immunization and the advance market commitment for vaccines, have been proposed and are being implemented.

As we have said before, innovative financial mechanisms are designed not to replace but rather to complement the promised increase in official development assistance (ODA). Such mechanisms must raise additional funds above and beyond the commitments already made by developed countries.

For Brazil, financing for development is a vital instrument, but it is still an instrument. Our true goal, which is rooted in the Brazilian constitution, is to confer a humane and ethical dimension to economic growth. At the centre of our endeavours must be the men, women and children whose plight we are called upon to alleviate and, in time, turn into a decent life. The world has the financial and intellectual resources to do this; it is really a matter of choice. If we, the international community as a whole, are wise enough to choose solidarity, we all, rich and poor alike, will reap the immense benefits of that choice. It is up to us.

The Acting President: I now give the floor to Her Excellency Mrs. María Rubiales de Chamorro, chairperson of the delegation of Nicaragua.

Mrs. Rubiales de Chamorro (Nicaragua) (*spoke in Spanish*): I would like at the outset to welcome this High-level Dialogue on Financing for Development. It has special significance because it is part of the preparatory process for the Monterrey Consensus follow-up, which will be held in Doha in late 2008. We hope that the Conference will be the beginning of justice in the multilateral arena, helping developing countries to enjoy prosperity, to eradicate poverty and, at the least, to achieve the Millennium Development Goals (MDGs).

As a member of the Group of 77 and China, Nicaragua endorses completely the working platform presented by Her Excellency Ms. Hina Rabbani Khar, State Minister for Economic Affairs of the Islamic Republic of Pakistan on behalf of our Group. We agree too with the statement made by His Excellency Eduardo Gálvez, Director of Multilateral Policy in the Ministry for Foreign Affairs of Chile, on behalf of the Rio Group.

We feel that greater attention should be focused on the follow-up and implementation of the Monterrey Consensus. The Consensus emphasized what actions were needed to achieve the agreed development goals. For this reason, we believe that in Doha in 2008 we must move forward towards the creation of machinery to achieve these goals, and if possible make in-depth progress on the six major thematic areas of the Consensus.

It is time for the developed countries to show real and effective solidarity with the developing countries. It is time to promote investment in development going beyond the concept of development assistance. We consider that this new dimension and these new concepts, paired with governmental responsibility and a commitment to creating conditions to reduce poverty, increase investor confidence and promote the formulation and ownership of development plans of State leadership, constitute the key to achieving, at the very least, the Millennium Development Goals.

In this forum, we would like to pay tribute to the efforts we have made since the Bolivarian Alternative for the Americas (ALBA), in which Nicaragua is a participant, was instituted. ALBA is an initiative that, from a South-South perspective, sets aside the old concepts of trade relations and adopts a new, far more important one: human solidarity and investment for development.

The Government of my country has set certain concrete goals for itself that will allow us, in the medium term, to reduce poverty levels and increase public and private investments. We are endeavouring to improve energy infrastructures and protect the environment, with programmes such as Zero Hunger, Zero Usury. Policies backed by bold social programmes and the creation of human capital are bringing us closer to the Millennium Development Goals (MDGs).

My Government has entered into a very important agreement with the International Monetary Fund (IMF). As stated by the President of the Republic, Commander Daniel Ortega,

> "The Government has been discussing and negotiating with the International Monetary Fund agreements that take an approach clearly laid down since the beginning. We will work with the Fund with the objective that these agreements will create conditions giving priority to the fight against poverty and hunger, the struggle to revive the country's economy and the struggle to create jobs."

Thus, the focus is on tackling poverty, creating conditions favourable for generating wealth and creating jobs, and creating a climate in which we can increase our national productive capacities and foreign investment. In this way we plan to develop to the maximum extent our capacity to generate wealth and combat poverty. For years, that capacity has reflected a system that has marginalized us as actors and stakeholders for development.

Looking ahead towards Doha, my tiny country wants the Conference to complement new consensus and new commitments to promote development. That will enable us to increase the percentage of national income devoted to development cooperation, or at least make a major effort to ensure that flows of official development assistance reach our goal of 0.7 per cent. In this context, the new Development Cooperation Forum of the Economic and Social Council must be the main vehicle to enhance the effectiveness and transparency of cooperation.

Foreign direct investment must play a dominant role in promoting growth and the attainment of the development goals, especially concerning infrastructure and wherever there is need for a greater ability to attract investment in projects fundamental to sustainable development. In Doha, we should try to establish a plan of action that will make it possible to create or strengthen the capacity of poor or vulnerable economies to attract multilateral and private investment.

External debt relief, through the Highly-Indebted Poor Countries (HIPC) Initiative and the Multilateral Debt Relief Initiative, will help bring resources into our countries for development — here, Nicaragua is no exception.

Reform of the international financial system is needed. This should include the right for us to vote and take decisions in the international financial institutions. Such reforms, including reform of the International Monetary Fund, will aim at ensuring financial stability, and access to liquid resources by countries needing them. At the same time, it enables us to mitigate the impact of volatility through short-term capital flows.

Progress will be made on establishing better conditions for trade for developing countries.

Finally, may solidarity and development investment be our guide as we seek to achieve well-being and an equitable distribution of wealth. History and all our peoples require this.

The Acting President: I now give the floor to His Excellency Mr. Andrei Dapkiunas, chairman of the delegation of Belarus.

Mr. Dapkiunas (Belarus) (*spoke in Russian*): The Monterrey Consensus is a unique instrument and an important breakthrough factor in our pursuit of financing for development. The key to the effectiveness of that instrument is the comprehensive use of all ways and means of ensuring positive dynamics in the flow of development resources. Where do we see unutilized resources?

First, we need to improve the targeted nature of assistance. The benefits of new development approaches have only been felt by a small group of developing countries and countries with economies in transition. The gap in the levels of development and, consequently, in well-being between rich and poor countries is increasing. It is not only along the North-South divide, but also among the countries of the South.

The United Nations should pay particular attention to providing financial and technical assistance to the most vulnerable and poorest countries. Last year, when we drafted the resolution on integrating countries with economies in transition into the world economy, Belarus spoke of the need to improve the targeted nature of assistance. Such an approach is also necessary in planning international development cooperation on a global scale. Countries with the greatest need for international assistance should receive such assistance on a greater scale.

Fair conditions for international trade — given their importance and consequences — exceed by far the importance of official development assistance, as they not only allow developing economies to grow faster but also decrease their dependence on international assistance.

However, the Doha Round of negotiations has not been completed, and there is no significant progress in sight. The obstinacy of industrial countries is understandable from the traditional viewpoint of putting the prosperity and security of one's own national markets and domestic producers first. Yet this obstinacy amounts to short-sightedness in a globalized world economy and with regard to the disastrous consequences of protectionism, new flows of migrants, an increase of distrust among States and an upsurge in extremism and terrorism.

Such an approach often stands in the way of accession of new members to the World Trade Organization (WTO). We must still deal with the unacceptable practice of using the accession process to the World Trade Organization as an instrument, not only of economic pressure but also of political pressure aimed at gaining a coercive and unilateral advantage.

With the active involvement of the United Nations and the participation of all interested States, we should strive to establish fair conditions for accession to the WTO that would take into account the trade and financial needs of the acceding States and their real development needs.

We also call for an end to the practice of using unilateral coercive measures as an instrument of economic pressure. We must not allow individual States — even if they are the most powerful and influential — to assume the rights and powers of the Security Council.

We are seeing growing obstacles to improving the international financial system and architecture. We feel that the time has come for a profound transformation of the Bretton Woods institutions. They were established in a different era and for different purposes. They should be modified and made to serve the cause of global development. In that regard, Belarus welcomes as an initial step in the right direction the measures undertaken by the International Monetary Fund and the World Bank in 2006-2007 to reform the quota and voting systems.

Bridging the technological gap between developing countries and countries with economies in transition and others is an urgent issue, and one that impedes the global development process. The transfer of modern technologies to those countries on preferential terms in a century of innovative development may frequently have a larger impact than the mere provision of financial resources. That is especially true with regard to reducing the dependence of commodity-producing countries on the global supply of energy resources.

The United Nations can and should develop practical arrangements for the transfer and distribution of technologies for alternative and renewable energy sources on a global scale. We propose holding an informal thematic debate in the General Assembly at its sixty-third session on recognizing technologies for alternative and renewable energy resources as the common property of humankind.

South-South cooperation has a positive impact on the development process. We call on the United Nations to increase its support for South-South cooperation by utilizing the potential of its specialized agencies, funds and programmes.

In the process of reforming and renewing the Economic and Social Council, Belarus has supported the establishment of the Development Cooperation Forum. We hope that the Forum will help to effectively monitor the implementation of previous agreements and promote the search for new opportunities for cooperation on financing for development. That is especially important in terms of preparing for the International Conference on Financing for Development to be held in Doha. As a member of the Economic and Social Council, Belarus will do its best to use the Council's potential to ensure an effective preparation for that important international forum.

The Acting President: I now give the floor to His Excellency Mr. Abdullah Alsaidi, chairman of the delegation of Yemen.

Mr. Alsaidi (Yemen) (*spoke in Arabic*): At the outset, my delegation associates itself with the statement made by the representative of Pakistan on behalf of the Group of 77 and China.

The Republic of Yemen is a least developed country that makes significant efforts towards achieving the Millennium Development Goals (MDGs). Those Goals have gained top priority in our national policy and five-year development plan for the period from 2006 to 2011. The Goals seek to alleviate poverty through the consolidation of small and medium-sized enterprise programmes, technical education programmes, the empowerment of women, ensuring investment opportunities and services and promoting good governance, among other things.

In the implementation of our plans and programmes, we unfortunately come up against significant obstacles, given scarce potentials, lack of aid opportunities and technical and material assistance and the increased need to develop basic services. Here, I would like to explain some statistics. The average per capita income in Yemen in 2005 was $600 a year. The percentage of those living below the poverty line was 36 per cent of the total population. Approximately 10 million individuals therefore do not have access to medical services or electricity. Unemployment among young people is at 37 per cent. More than 2 million children do not have access to education. Yemen is one of those countries that lacks water resources and therefore faces major obstacles in that area.

Despite all of those difficulties, my Government has been cooperating with donor countries and international organizations with a view to implementing national strategies to advance the development process so that we can achieve the MDGs. In that context, my delegation would like to underscore the importance of foreign assistance in supporting national budgets in the least developed countries. National strategies should be considered as a framework for cooperation and a partnership framework for development. However, the volume of official aid is not at the required level. The report of the Secretary-General (A/62/217) indicated that ODA has progressively decreased since the 2002 International Conference on Financing for Development and was just at 0.3 per cent of gross national product (GNP) in 2006. In addition, for the period 2006-2007, the expected level of official development assistance (ODA) is far from sufficient to allow the achievement of the desired objectives. For this, we need some $150 billion to make sure we can achieve the MDGs by 2015.

My delegation underscores the need for the international partners to honour their commitments, which is to allocate 0.7 per cent of their GNP as ODA. My delegation asserts the need for an equitable distribution of ODA, to be shared equally among all recipient countries. Yemen's share of ODA is presently much lower than it is in other developing countries, at $13 per capita annually, while least developed countries' share is $33 per capita annually. This means that we need to revise the scale of ODA allocated to Yemen.

The problem of external debt is a major obstacle for my Government in its implementation of its development programmes, plans and national strategy. Therefore, it is crucial for us to examine the expansion of the Heavily Indebted Poor Countries initiative and the multilateral debt relief initiative. We must be flexible in the way we act, for debt relief cannot substitute for other sources of financing. Development partners are called upon to cancel the debt of the least developed countries so they can achieve their development goals, the goals agreed upon by the international community, including the MDGs.

My delegation expresses its concerns about the stagnation of the Doha Round of trade negotiations. This round started in November 2001 and its stagnation has a negative impact on the economic opportunities of developing and least developed countries and will have a more damaging impact on poor people. In his report, the Secretary-General refers to the possibility of the costly financial impact this could have post-2007. Balanced and development-oriented solutions have not yet been found in the World Trade Organization for the key aspects of the negotiations. My delegation would, therefore, urge developed countries to demonstrate flexibility and political will to achieve some positive progress in the Doha Round trade negotiations. It calls for the outcome document of the Doha Round to give real opportunities to developing countries, in particular, the least developed countries, to allow their products to have access to the markets of developed countries without customs duties so that their trade capabilities could be strengthened and protectionism for their national products could come to an end.

To conclude, there is no doubt that there is an urgent need for a mechanism that would monitor and effectively follow up the implementation of the agreements achieved in financing for development and my delegation looks forward to the Conference to Review the Implementation of the Monterrey Consensus, to be held next year in Doha, Qatar.

The Acting President: I now give the floor to His Excellency Mr. El Mostafa Sahel, chairman of the delegation of Morocco.

Mr. Sahel (Morocco) (*spoke in French*): My delegation is please to participate in this important meeting and hopes that our discussion concludes with concrete recommendations on the question of financing for development. My delegation aligns itself with the statement made by the representative of Benin on behalf of the African Group and the statement made by the representative of Pakistan on behalf of the Group of 77 and China.

Our meeting is being held at a particularly important transition time as we discuss both the Monterrey Consensus and next year's Follow-up International Conference on Financing for Development, to be held in Doha, as well as the Millennium Declaration, which is reaching its midway point to the 2015 deadline for the achievement of the Millennium Development Goals (MDGs).

The Monterrey Consensus has given financing for development a greater profile, highlighting the different components which are all necessary, complementary and in synergy: internal and external resources, public and private resources, governmental instruments and a better allocation of resources. Several efforts have been made to implement the international commitments undertaken by the donor community and by the developing countries to shoulder the challenge of financing development. However, developing countries cannot achieve the MDGs without having access to sufficient and predictable means of financing. Midway to the achievement of these goals, development indicators in many developing countries are below objectives established, a fact which bodes ill for them being on track for 2015. The States in question are, in particular, African States, whose poverty rates have not decreased in recent years. To enable the African countries to achieve their development objectives and to mitigate the effects across the continent, we need the mobilization of all development partners and all resources, both external and internal.

Developing countries have made considerable efforts at reform and have mobilized their internal financial capacities in order to overcome their shortcomings in the development sphere. However, the insufficiency of their own resources, the fact that official development assistance (ODA) has decreased, and the burden of their debt continue to limit their ambitions. It is urgent to reverse the current regressive trend of ODA, which we see despite commitments and promises made.

In addition to a decrease in aid, there is the debt burden which continues to cripple the budgets of developing countries and nullify their development efforts. The commitments recently taken in the framework of the Heavily Indebted Poor Countries initiative are praiseworthy and deserve our support; however, these initiatives are not sufficient and much remains to be done to cancel the debt of the most heavily indebted poor countries. Other measures are necessary to supplement the efforts being deployed by developing countries with medium and low income in the sustainable management of their external debt.

If international trade is considered the driving force of economic growth, capable of generating resources to finance development, then the expectations of developing countries in the Doha

Round may not be met due to a lack of progress made in multilateral negotiations. In addition, their products still confront tariff and non-tariff barriers in accessing developed countries’ markets. That means that a development dimension of the Doha Round is one of the rare glimmers of hope that developing countries can count on to benefit fully from the opportunities of the international and multilateral trade system and to achieve sustained economic growth.

Foreign direct investment is an important source of financing for development as it has an impact on employment and technology transfer. We should, however, note that developing countries, and in particular, the poorest among them, receive the lowest amounts of foreign direct investment. Therefore, it is important that we support the efforts made by developing countries to attract foreign direct investment by encouraging their activities to improve the business environment and their system of governance.

Alongside these traditional sources of financing, which remain indispensable for development, we consider that the next review conference at Doha will be a better occasion for us to turn our attention to other sources of innovative financing, which would overcome the shortfall and shortcomings that we have identified since Monterrey.

The International Drug Purchase Facility (UNITAID) is an edifying example of a new innovative approach that we would like to encourage and whose potential we would like to explore.

If we take stock of the situation, we see that we need unwavering political will to make the international environment as conducive as possible to financing for development. The Review Conference scheduled next year in Doha is a vital meeting that should breathe new life into international cooperation and should strengthen the international partnership between the countries of the South and the countries of the North, a partnership forged in Monterrey. Morocco is prepared to make its contribution to ensure the success of the Conference.

The Acting President: I now give the floor to His Excellency Mr. Daniele Bodini, chairman of the delegation of San Marino.

Mr. Bodini (San Marino): At the outset, I would like to thank the President of the General Assembly for convening this High-level Dialogue on financing for development.

Since Monterrey, much progress has been achieved toward the Millennium Development Goals (MDGs). However, I detect, among many participants, mixed feelings about the midterm results. Some are casting doubts about the willingness of certain donors to fulfil their commitments, others are pointing out that recipient countries could improve their levels of transparency and good governance.

Our happiness is derived from the fulfilment of our expectations. It may be that we have to adjust our immediate expectations, taking into account all the innumerable and overwhelming factors that influence our daily life, such as climate change, natural catastrophes, migration, epidemics, demographic explosions, commodity price fluctuations and financial turbulence, not to mention such man-made disasters as conflicts or acts of terrorism.

Despite all these challenges, San Marino believes that a great effort has been made so far by all the parties involved and that additional good faith and sustained and decisive effort should be extended to achieve the Millennium Development Goals. We, the people and the Government of San Marino, are committed to doing our part.

In conclusion, I would like to add that we are very pleased that the United Nations is enhancing its central role in monitoring, coordinating and planning the world development process.

The Acting President: I now give the floor to Mr. Khalid Abdullah Krayyem Shawabkah, chairman of the delegation of Jordan.

Mr. Shawabkah (Jordan) (*spoke in Arabic*): We associate ourselves with the statement made by the delegation of Pakistan on behalf of the Group of 77 and China.

Given the vertical and horizontal intensification of the causes of poverty in the world and the multidimensional nature of this problem, coordinated international and regional policies are the sole means for achieving the Millennium Development Goals (MDGs) in the fight against poverty.

For those reasons, the Heads of State in Monterrey agreed to find solutions to the problem of poverty from which many countries suffer. They decided to act together to face the challenge of financing for development throughout the world, particularly in developing countries, and to combat poverty, achieve sustainable economic progress and encourage sustainable development, taking into account the open international economic order.

Despite the efforts of developing countries to make use of local resources and to attract foreign investment, the amount of resources available remains far below what would be required for sustainable economic development and for the eradication of poverty. Local resources must be coupled with complementary measures that would allow for the implementation of national development strategies, namely foreign financing and investment and official development assistance (ODA). There is also a need to increase the participation of developing countries in international economic decision-making.

Jordan is a leader among countries that support development policies for combatting poverty and hunger, and it is endeavouring to achieve economic development for all peoples of the world. Jordan works in the spirit of its King Abdullah II, reflected in his address to the Monterrey Conference, when he said that cooperation among all countries to identify shortcomings and to eradicate poverty constitutes a moral duty and that modern global technology and know-how, openness and economic exchanges have opened up new possibilities for us to work together, possibilities that did not exist before.

Jordan is one of 28 countries that supported the solidarity tax on air travel in order for income thereby generated to be used to fight against various diseases throughout the world and to buy necessary medicines.

At the national level, the Jordanian Government has drafted and promulgated legislation to attract direct foreign investment and to create an environment favourable for investment. We have also established tariff-free trade zones, such as the special economic zone at Al-Aqaba, as well as industrial zones. We have also signed free trade agreements with the United States and the European Union.

To combat poverty and unemployment, Jordan, under the auspices of Queen Rania, created a society for financing small enterprises aimed at combatting poverty and unemployment by granting microcredit to beneficiaries who then become small business owners capable of facing the challenges of life.

The circle of financing has expanded with time to include more services such as the banking savings sector, the insurance sector and the credit sector so that the concerns of the poorest and most vulnerable groups are also addressed. In the past few years, the Government spent $1 billion on job creation and anti-poverty programmes. The Society of Small and Medium-Sized Enterprises has financed 33,000 manufacturing projects amounting to 88 million dinars, which have benefited 200,000 individuals. We have also created a total of 40,000 job opportunities in various sectors and provinces, with women comprising 50 per cent of those benefiting from such loans.

We have launched initiatives to assist low-income or unemployed persons in establishing start-up enterprises, and have established for that purpose a royal prize, with the support of Queen Rania, to honour the three best enterprises established. Jordan has created a national bank for small and medium-sized enterprises which will also combat poverty and unemployment and alleviate the burden of social development programmes by ensuring training and financing for citizens so they can become self-sufficient and undertake projects that will enable them to live in dignity.

In addition to financing small and medium-sized enterprises, the Society sponsors other projects that will assist us in achieving the Millennium Development Goals (MDGs). These cover the areas of family, education, agribusiness, antidesertification efforts, health, poverty and unemployment.

In conclusion, it is absolutely urgent for us to find alternative and innovative sources of financing to reduce the adverse impacts of poverty on both the economies and the national security of developing countries. If our efforts are to be successful, we must ensure that they are international and that they benefit from all the necessary coordination and harmonization.

The Acting President: I now give the floor to His Excellency Mr. Nor Eddine Benfreha, chairman of the delegation of Algeria.

Mr. Benfreha (Algeria) (*spoke in French*): My delegation associates itself with the statements made by the representative of Pakistan, on behalf of the Group of 77 and China, and by the representative of Benin, on behalf of the Group of African States. We wish to make a few additional comments.

Algeria attaches particular importance to the High-level Dialogue on financing for development, given its constructive contribution to the preparations for the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, to be held in Doha in the second half of 2008. Our third High-level Dialogue is taking place in an international context that is being transformed by the multifaceted effects of globalization and that continues to reflect a persistent trend of disparities between the countries and regions of the world.

The Monterrey Conference is of great value in our planning to achieve the internationally agreed development goals, including the Millennium Development Goals (MDGs). It offers a framework for national and international policies to ensure the implementation of the measures necessary for financing for development. We believe that the record of the implementation of the Monterrey Consensus, despite the hope and the promises that it embodied, is that we are far from fulfilling the commitments undertaken in the area of financing for development.

Certainly, some progress has been made in a number of areas related to development financing, while a slowness has characterized the honouring of partners' commitments in several areas. We must redouble our efforts to agree on policies that could contribute to optimal implementation of the Monterrey Consensus in order to make up for the shortfall seen in its implementation. In that regard, our joint activities should seek to consolidate and reinforce the results achieved and to achieve the full implementation of the commitments undertaken within the framework of the Monterrey Consensus.

The 2005 World Summit clearly reaffirmed that the Monterrey Consensus is the reference document of the global partnership for development, which remains the basis for growth without exclusion. To that end, we must forge a global development partnership, guided by a collective multilateral discipline that can manage the growing interdependence of economies and the resulting externalities and repercussions. The restructuring of the international financial architecture has not been completed. That requires a redoubling of international efforts to reorganize international financial governance so that it can ensure stability in financing for development.

We are convinced that it is primarily up to developing countries to mobilize national resources for development with a view to implementing the MDGs. In that connection, Algeria has made sustained efforts in the area of development, and we are on track to achieve the international development goals.

The results of national efforts to mobilize national resources are closely tied to the current structure of international financial governance. Moreover, the mobilization of international resources for development remains very unequally distributed and official development assistance (ODA) is insufficient, despite the many initiatives undertaken since the Millennium Summit.

Mobilizing external financing by increasing international capital flows to developing countries, consolidating ODA at the desired level of 0.7 per cent of the gross domestic product of the economies of developed countries and implementing commitments to relieve external debt remain essential conditions for addressing the constraints related to financing for development.

The nominal increase in ODA has not been accompanied by a time frame that could make such aid predictable, thereby contributing effectively to development.

Furthermore, the inequitable development between the North and the South is accentuated by the net transfer of financial resources towards the countries of the North. These trade surpluses result from the current architecture of the international financial system and are a means of protection against the crises that can arise in the area of external financing, as well as a way to maintain the financial equilibrium of the countries concerned.

Despite the improvement in the external debt of a number of developing countries, thanks in particular to national efforts and the Heavily Indebted Poor Countries Debt Initiative, the economies of a significant number of countries continue to be subjected to additional debt burdens and to their impact on development.

Developing countries remain vulnerable to monetary and financial crises, which can have grave effects on macroeconomic stability. The United Nations system, in cooperation with the international financial institutions, can support the formulation and coordination of guidelines, based on a prudent approach, which could be agreed at the international level. Such measures should seek to protect developing countries from recurrent financial upheavals. Moreover, participation by all developing countries in the international financial institutions, reflecting more equitable representation, would undoubtedly help to strengthen national ownership of decisive development decisions.

It is of crucial importance to developing countries for international trade to play its role as a driving force of development through the strengthening of ties between trade, development and financing. The suspension of multilateral trade negotiations will not have a positive effect on the commitments made and the Doha Round of negotiations will thus not be a round of development.

The forthcoming review of the Monterrey Conference, which will take place in Doha in 2008, will be the proper occasion for evaluating progress made and for determining how to rise to the challenges tied to financing for development, bearing in mind the lessons learned since Monterrey. With this in mind, we call for a development of synergies between all of the stakeholders in the development sphere and the strengthening of interactions and consultations between the United Nations and the international financial institutions as well as the World Trade Organization, in order to find the most appropriate ways to finance development.

The Acting President: I now give the floor to His Excellency Mr. Francis Butagira, chairman of the delegation of Uganda.

Mr. Butagira (Uganda): My delegation associates itself with the statement made by the representatives of Pakistan on behalf of the Group of 77 and China, of Bangladesh on behalf of least developed countries (LDCs), and of Benin on behalf of the African Group.

As we begin to prepare for the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, Uganda welcomes this high-level event as a necessary catalyst for a decisive policy discussion during the preparatory process.

A clear consensus has emerged on the urgent need for increased flow of development resources to developing countries in a predictable and stable manner through official development assistance (ODA), trade, debt relief and foreign direct investment, if developing countries are to make any sustainable progress towards achieving the Millennium Development Goals (MDGs) by 2015. Indeed, that was the objective agreed upon at Monterrey. The concern of the international community today is focused on the fact that this flow is not happening fast enough. My delegation fully shares the G-77 position that there is urgent need to address the deficit in the implementation of the Monterrey Consensus as well as to focus our attention on issues that were not adequately addressed at Monterrey.

The Monterrey Consensus was based on the understanding of a global compact between developing countries and their development partners where neither side in the compact could escape responsibility for delivering on its commitments. In that regard, developing countries are to make increased efforts to improve their situation and mobilize domestic resources as they work towards policy reforms and improved governance.

On the other hand, the international community, especially the development partners, should also support the efforts of developing countries in a timely and efficient manner. However, the actual scenario is a mixture of stagnation and progress in some areas, with critical deficiency of action in others.

Uganda shares the common view that developing countries bear the primary responsibility for their own development and that they should regard domestic resources as the first source of financing for development. It is therefore the role of the State to facilitate the flow of investment and trade, as well as to engage in social development and infrastructure creation.

Like many other developing countries, Uganda has tried to live up to its commitment to adopt and transparently implement comprehensive national strategies to reach MDGs targets. This includes the formulation of MDG-based national development strategies that are now the basis for the allocation of all development resources whether internally or externally mobilized.

To enhance the effectiveness of these resources, Uganda guarantees reasonable, just, transparent and stable market regulations to private investors. Well-defined development policies have been put in place which clearly outline the resources needed for each action to be taken.

Continuous efforts are being made by the Government to make the domestic economy more attractive to investors by directing efforts towards development of the transport, energy and communications sectors.

The use of microcredit in addressing poverty is being explored with increasing success. We believe that the development of the microfinance industry will help to generate resources for development by bringing rural communities into national community participation. The Government is also trying to widen the tax base and pursue progressive taxes in an effort to develop the capacity to raise domestic resources for development. Engaging the private sector and civil society has been a key factor in making the economy more productive.

The focus of international attention has now shifted from making commitments to how the commitments already made are being delivered. This is one critical area that was not adequately addressed in the Monterrey Consensus. At Monterrey, there were no outstanding commitments on financing to talk about. But since Monterrey, a lot of support has been promised to developing countries through commitments made by development partners. Much of that support still remains to be delivered, how soon it will be delivered is presently the main cause of concern.

While the trend of significant increases in ODA to developing countries was sustained in 2004 and 2005, much of the observed increases continue to take the form of emergency aid, debt relief and technical assistance, which do not necessarily mean financial transfer to developing countries. This is another point of great concern to developing countries that brings to mind the question of what kind of flows should be considered as development aid. However, the current and projected levels of ODA for the period 2006-2010 still fall short of targets.

There is need for concrete mechanisms to follow up on commitments made by development partners with the possibility of holding them accountable for the shortfalls in commitments to increase aid to developing countries. Developing countries should not be made to base their development plans on false expectations. Accountability should be a requirement for both sides in the global development compact. Why should it not?

We believe that the United Nations has a key role to play in support of developing countries’ vision and plans, and to help them build the necessary capacity, skills and institutions for mobilizing domestic resources. At the same time, the United Nations, through its Economic and Social Council, should continue to monitor efforts to increase aid, especially its effectiveness, to developing countries.

The Doha Development Round of trade negotiations, despite setbacks and suspension, still offer a unique opportunity to support development and it should not be allowed to fail. My own President, His Excellency Yoweri Kaguta Museveni, has always said that we do not need aid; what we need is trade and market access. Trade is the most significant tool for generating growth because the income derived from trade is a sustainable form of financing for development. However, many developing countries still lag behind in trade, especially the LDCs, with the landlocked among them being the most deprived.

Last year, developed countries made several aid for trade commitments aimed at helping developing countries expand their capacity to export. But fulfilling those commitments is only one thing. Free access to export markets is badly needed and still awaits the resumption and successful completion of the Doha trade negotiations under the World Trade Organization.

Developing countries have great potential for mobilizing investment from the growing diaspora. Diaspora remittances could constitute the second largest source of capital inflows after foreign direct investment. But that potential is not being fully exploited, owing to legal and funding barriers to remittances and other financial flows from migrants. However, while we continue to seek alternative sources of financing for development, such mechanisms should not be proposed as the ultimate solution to financing for development, substituting for traditional forms of official development assistance, debt relief or trade-related measures that would help promote growth in developing countries.

South-South cooperation provides an important opportunity for developing countries to mobilize resources at both the domestic and the regional levels. The promotion of South-South cooperation will unleash the potential of emerging economies in the

South to provide development funding, either as donors or through trade.

Let me conclude by emphasizing that recognizing the need to seriously consider alternative sources of financing for development is already a top priority. Each year lost in the effort to provide financing for development represents an increase in the resources needed in the run-up to 2015. This High-level Dialogue should serve to galvanize the will of the international community to take decisive action on this critical issue of development.

The Acting President: I now give the floor to Mr. Hindi Abdulatif, chairman of the delegation of the Libyan Arab Jamahiriya.

Mr. Abdulatif (Libyan Arab Jamahiriya) (*spoke in Arabic*): My delegation associates itself with the statements made by the representative of Pakistan on behalf of the Group of 77 and China and by the representative of Benin on behalf of the African Group.

The report of the Secretary-General on follow-up to and implementation of the Monterrey Consensus (A/62/217) is precise, clear and comprehensive regarding progress and failures in reforming the international financial architecture. The report coincides with reports on crises in foreign indebtedness, development and international trade, and other relevant reports. All of those reports confirm that achievement of the Millennium Development Goals (MDGs) has not become a reality, least of all in sub-Saharan Africa.

Although the economies of a number of developing countries performed well in 2006, many other developing countries are still highly vulnerable to recent accelerated changes in financial markets and commodity prices. It has become abundantly clear that the crises to which world financial markets are exposed have inflicted transboundary damages and are having a negative impact on the realization of the MDGs in developing countries. In fact, the world economy is being held hostage by those crises.

Intervention by the central banks of developed countries is not sufficient; what is needed is a change in fiscal policies to deal with the structural imbalances in the world financial systems. It is now absolutely necessary to establish a world multilateral system in which developing countries can effectively participate, so that the necessary macroeconomic balance can be achieved in developing countries and developed countries alike.

The follow-up to the implementation of the Monterrey Consensus requires an effective multilateral mechanism and the establishment of a partnership promoting cooperation between developed and developing countries and mainstreaming a development perspective in operational policies and procedures for finance, indebtedness and trade, also taking into account the regional dimension in implementing the Consensus. It should also build new relations among the United Nations system, the Bretton Woods institutions, the World Trade Organization, the United Nations Conference on Trade and Development, international and regional financial institutions and the private sector. In that context, we highly appreciate the important special high-level meeting of the Economic and Social Council with international trade and financial institutions on financing for development, which was held in New York on 16 April 2007.

We hope that this work will continue with the effective participation of all development stakeholders and in accordance with the standards that we all seek: good governance, performance, efficiency, transparency, accountability and effective efforts to combat corruption through the implementation of the United Nations Convention against Corruption.

Bilateral and multilateral relations in the field of financing for development have both undergone positive development and encountered challenges since the 2002 International Conference on Financing for Development. As a result, responsible assessment is required in order to find solutions and innovative mechanisms that would give momentum to the work of the forthcoming Doha Conference on Financing for Development. We hope that the Conference outcomes will renew our commitment to implement what has been agreed upon and to establish a governmental mechanism for implementation and follow-up, as we have previously proposed.

The Doha Round of development negotiations has reached an impasse because the developed countries are still insisting on their positions regarding free trade for development. We call on our development partners to cooperate, to evaluate our common interests and to provide a new opportunity to build a fairer, better balanced international trading system, where markets are open to developing countries and which is free from double standards and selectivity.

My country is concerned about the economic situation in Africa because we are part of that geopolitical region, in addition to our Mediterranean and Arab links. We note with great interest that United Nations activities in the Second Committee have concentrated on the difficulties facing the African continent in attaining the Millennium Development Goals as a result of profound distortions in the African political economy and of the violence and instability there, which are factors that impede development.

The report recently issued by several non-governmental organizations entitled “Africa’s missing billions” concluded that Africa has lost approximately $300 billion as a result of armed conflict during the period from 1990 to 2005, thus exceeding the assistance received by the continent. That constitutes a very urgent call, in particular on all Africans, to widen our perspective on financing for development and to make it more comprehensive, to encompass more than financial concessions and assistance.

We highly appreciate Secretary-General Ban Ki-moon’s initiative to establish the Millennium Development Goals Africa Steering Group, which will directly deliver aid for educational and health projects, infrastructure, agricultural and food security. That will require an environment conducive to national and regional economic growth through increased foreign official development assistance, which unfortunately declined in 2006. It might continue to shrink unless donor countries reconsider their position on this important component of financing for development.

We welcome the *World Development Report 2008*, recently published by the World Bank, which draws upon the work of World Bank experts assigned to evaluate the Bank’s role in financing agriculture in sub-Saharan Africa. That important report highlights the clear fact that for years there has been consistent neglect of agricultural projects. It also implicitly recognizes the failure of policies based on removing agriculture from the public sector and handing it over to the private sector. The Bank imposed such policies on African Governments throughout the 1980s and 1990s, including by reducing financing from $419 million in 1991 to $123 million in 2000. When the Bank realized the gravity of the results of its policy, it began to increase its financing — to $295 million in 2005 and to $695 million in 2006.

The report also emphasizes that African Governments must allocate more of their budgets to agriculture. That emphasizes what we, as African and developing countries, have rightly been calling for in not accepting ready-made prescriptions by donor experts or conditionalities. Rather, we must respect national ownership and development priorities, as well as regional and internal circumstances.

As a developing country, Libya understands the value of South-South cooperation and urges its expansion, particularly in the fields of finance, trade, investment and science and technology. We hope that the day will come when such cooperation will take a priority position rather than a complementary position vis-à-vis North-South cooperation.

My country reaffirms the responsibility of developed countries, in particular the Group of Eight (G-8), to fulfil their commitments and promises. We also call on the financial institutions and all of our development partners to enhance multilateral cooperation through the machinery of the United Nations system and to create innovative mechanisms for financing multilateral projects.

We commend the initiatives taken within the Arab, African, Asian, Latin American and Islamic groups to finance small and medium-sized enterprises, in particular through international and regional financial institutions, such as the African Development Bank and the Islamic Development Bank.

On the other hand, my country notes with alarm the increase in net financial flows from developing to developed countries in 2006 for the tenth consecutive year. The current international financial structures and the poor development circumstances and corruption in a number of countries of the South encourage this increased flow, which reached $600 billion in 2006.

We also note that, although they have been increasing, nearly 70 per cent of foreign financial flows towards developing countries have benefited 12 countries, in particular in the field of raw materials, specifically oil, and bond and security markets. The latter is particularly sensitive to external volatility and external threats. We must be cautious in this field because it is often an arena for opportunistic speculation rather than stability.

Foreign direct investment is an important contributor to financing for development in developing countries in general, since domestic financial resources for development are limited and rates of saving are also weak. Financial markets are still emerging. It would be very useful for development if a new international machinery were created to encourage investors to invest in developing countries.

The Acting President: I give the floor to His Excellency Jorge Urbina Ortega, the chairman of the delegation of Costa Rica.

Mr. Urbina (Costa Rica) (*spoke in Spanish*): My delegation wishes to thank the Organization for convening this High-level Dialogue on Financing for Development. It is important that the Follow-up International Conference on Financing for Development, which will take place in Qatar, should determine what progress has been made since the Monterrey Consensus and reaffirm its goals and objectives. It is vital that the Conference, and its preparatory process, develop new ideas and new approaches that will ensure progress towards the international development goals, including the Millennium Development Goals (MDGs).

In that context, I wish to refer in particular to the situation of middle-income countries with regard to international technical and financial cooperation. As a result of the progress achieved due to those efforts — progress that is still recent — my country has experienced a gradual and systematic reduction in resources received in the context of international cooperation for development. In general terms, the developed countries have tended to exclude Costa Rica and other countries in similar circumstances from the list of those countries benefiting from international assistance and from the debt cancellation mechanisms established by the international financial institutions.

Our situation is not unique. It has occurred in spite of the fact that, according to a 2007 World Bank report, 30 per cent of the world population living on less than two dollars a day still resides in middle-income countries.

In our view, it is essential to go beyond the concept of gross national product, because it does not take into account a number of factors that affect the development process, such as levels of inequality and social, institutional, financial and production disadvantages. Thus, we must take into account other variables when we consider who should receive credit and international assistance, for example those related to the efforts and advances made in achieving the Millennium Development Goals.

Those elements and others relating to trade, financial stability and democratic governance are of great importance concerning the theme of financing for development. They are set forth in the reports of the international Conferences on Development Cooperation with Middle-income Countries, which took place this year in Spain and in El Salvador. We recommend that delegations read and consider those reports.

Innovative sources of financing are a matter of particular importance to my delegation. These have gradually entered the overall debate on the subject and are now recognized by most Member States as an important aspect of financing for development. Accordingly, let me once more put forward for the consideration of the Assembly the Costa Rican Government initiative known as the Costa Rica Consensus. This is an innovative financing mechanism intended not to replace but rather to complement official development assistance. The Costa Rica Consensus appeals to all developing countries to make every effort to invest their limited public resources to meet the most urgent social needs, including those identified in the Millennium Development Goals, and to reduce their military expenditures. Similarly, the Costa Rica Consensus appeals to donor countries to incorporate in their official development assistance (ODA) programmes certain incentives to compensate those developing countries that, in a verifiable and sustainable way, make effective efforts to engage in social investments and reduce military expenses.

Costa Rica does not doubt that there are legitimate security concerns in certain developing countries, which justify military expenses in keeping with those concerns. But we would say that we are concerned over the fact that in 2006 the world hit a new record — $1.2 trillion was spent on military expenses. With just a tenth of those resources, we would have achieved the goal for 2006 for all the Millennium Development Goals (MDGs) for all the countries of the world.

We would like to take advantage of our gathering in this High-level Dialogue to call upon the donor countries to create mechanisms for reducing foreign debt, either by forgiveness or renegotiation of exchange, non-reimbursable contributions, or loans with subsidized interest rates to reward and incentivize peace dividends.

We urge the international community to breathe life into the Costa Rica Consensus. It should be understood that the Consensus is not designed to create impossible conditionalities, but to seek to provide incentives for a more ethical management of available public resources.

Finally, we hope that what delegations have said before this plenary and in the six roundtables of this Dialogue become important inputs in the preparatory stages for Doha and we pledge our commitment to work toward the success of that Conference.

The Acting President: I now give the floor to His Excellency Mr. Daniel Carmon, chairman of the delegation of Israel.

Mr. Carmon (Israel): At the outset, allow me to congratulate the President on his leadership of the Assembly and to thank him for convening this important High-level Dialogue on Financing for Development.

Since the adoption of the 2002 Monterrey Consensus of the International Conference on Financing for Development, macroeconomic and fiscal management have improved in the majority of developing countries. Other improvements can also be seen in the progress of financial sector development and external debt indicators. With this, there has been a documented rise in social expenditures per capita, the share of the poor in the total world population is receding, debt relief programmes are expanding, and more investment opportunities are being created.

The United Nations has taken a leadership role in coordinating financing efforts of the international community to ensure achievement of the Millennium Development Goals (MDGs), specifically the eradication of hunger and mitigation of poverty.

In line with these endeavours, Israel has redoubled its work in the field of financing for development, in the form of partnerships within the United Nations system and through its cooperative partnerships and bilateral programmes run by MASHAV — the Centre for International Cooperation of the Ministry of Foreign Affairs of the State of Israel — and in official development assistance (ODA) disbursements.

Israel expresses its strong support for the Monterrey Consensus, which reflects a broad-based development approach that includes sound macroeconomic policies aimed at sustaining high rates of economic growth, full employment, poverty reduction, price stability, and sustainable fiscal and external accounts. Moreover, the Monterrey Consensus sought to move us forward, together, in securing the fundamental common cause of the United Nations of creating a true global partnership in which the international community can work to achieve the MDGs and the internationally agreed development goals.

Having reached the latter half of the time frame allotted to achieve the MDGs, the need for consensus is further impressed upon us. But, as we are lagging behind the timetable, Israel hopes that Member States will undertake the agreements put forth in the Monterrey Consensus with renewed vigour, in order to achieve the MDGs by the target date.

Since financing for development depends heavily on the mobilization of both domestic and international funds towards development, the efficacy, coherence, and consistency of sound macroeconomic policies in developing countries must remain a priority. The resulting attractive, stable and predictable investment climate will enhance the inflow of productive capital.

On the local level, national policies and mechanisms should be geared towards attracting private sector investment and the building of a market economy. Similarly, obstacles to growth should be removed, as trade and investment are instrumental to a robust market economy. Such policies not only make the market more attractive to investors, but also have the benefit of guarding against corruption and help facilitate and implement good governance.

In addition to its bilateral aid and programmes through MASHAV, Israel actively supports international initiatives such as the World Bank's International Development Association programmes and the Heavily Indebted Poor Countries Initiative programme for debt reduction. Israel has already participated in such projects for a number of African countries, and will continue to consider additional debt relief, to the extent that resources allow.

We look forward to the follow-up on the International Conference on Financing for Development to be held in Doha, Qatar, in 2008, which will provide a forum for Member States to realign and maximize cooperation. To preserve the spirit of Monterrey, we must move together by consensus and reaffirm our commitments.

As a former emerging economy now on track to join the Organization for Economic Cooperation and Development (OECD), Israel recognizes the importance of broadened trade horizons in economic development. Like other OECD member countries, Israel shares the same attachment to the basic values of open markets and democratic pluralism. Israel is willing and able to comply with the OECD's disciplines and can provide greater mutual benefit by contributing to the work of subsidiary bodies.

In this regard, Israel encourages OECD members to increase ODA disbursements. ODA is an important complement to domestic resources and other sources of financing for development, with the capacity to energize and leverage private resources from domestic and international sources. Similarly, Israel has a long-standing commitment to Africa and the least developed countries, having begun its first partnerships in Ghana in 1957. As I mentioned in this Hall a few days ago (see A/62/PV.28), Israel will continue to evaluate and redefine these partnerships in the light of profound developments on the African continent.

We are carefully following the Doha Development Round, and encourage those negotiations to wrap up as soon as possible. The success of this Round depends on a balanced outcome. Trade is the chief external source of development financing, promoting economic growth and employment both in the developing and the partner country.

In the coming year, MASHAV will celebrate its fiftieth anniversary. Since its establishment, MASHAV has worked in partnership with more than 120 countries, as well as international organizations, civil society and the business sector on programmes designed to assist in meeting development challenges in such areas as food security, agriculture, water and sanitation, education, gender, community development and public health.

Israel emphasizes the need for broad participation of all stakeholders in each respective country's development, and encourages all sectors of society to play their roles. Partnerships based on the participation of the public and private sector and civil society are important to efforts to increase ownership of development planning, initiatives and goals.

Seven years into the twenty-first century, restructuring the international financial architecture to respond to profound changes in the global economy remains an important, albeit unfinished, agenda. The world economy is developing and rapidly changing, which means that the challenges and opportunities of globalization are here already.

As we look towards the Doha Conference in 2008, we are reminded of our commitment to reaching the MDGs by 2015. Though a number of initiatives and partnerships have been launched to achieve the Goals, only through the true spirit of partnership enshrined in the Monterrey Consensus can the challenges and obstacles facing us collectively be overcome and fulfilled by all.

The Acting President: I now call on His Excellency Mr. Claude Heller, chairman of the delegation of Mexico.

Mr. Heller (Mexico) (*spoke in Spanish*): My delegation thanks the President for convening this important meeting and for his commitment to the follow-up process of the International Conference on Financing for Development. Under his leadership, and with the contribution of the ambassadors of Egypt and Norway as co-facilitators, we will certainly achieve substantive results and make headway on the process towards the Conference in Doha.

In addition, my delegation associates itself with the statement made on behalf of the Rio Group by the delegation of Chile, in its capacity as coordinator for the Ad Hoc Working Group on Financing for Development. We also thank the Dominican Republic for its role as pro tempore secretary of the Group.

My delegation also thanks the Secretary-General for his report on the implementation of the results of the International Conference on Financing for Development (A/62/217). That document presents an updated, balanced and complete vision of the status of the various chapters of the Monterrey Consensus, which have been useful in preparing for our participation in the round tables. We note that it will be an important contribution to the substantive discussions that will culminate in the Doha Conference.

Mexico believes that the result of the process we are undertaking must be to promote the most effective strategies and actions, on all fronts, to generate and mobilize the financial resources on the national, regional and international levels that are necessary to build a favourable economic environment at all levels and that allows us to promote sustainable development.

In order to achieve that, Mexico believes that our discussions must be based on the principle of flexibility. We are already halfway between the Millennium Summit and the year 2015, and we know with certainty that the progress made towards the achievement of development for all has been uneven and insufficient. Consequently, Mexico considers that we must continue blazing the trail, keeping in mind that the objective is not the realization of an event in itself, but that our efforts achieve the greatest possible impact.

My delegation believes that the discussions on the way forward will be enriched if we consider the following factors. The preparation process and the Doha Conference itself must be inclusive, actively involving all relevant actors in financing for development, namely the international financial institutions; regional and subregional entities; civil society, including academia, the private sector and social organizations; and the international agencies that specialize in issues relevant for development, both inside and outside the United Nations system.

Similarly, Mexico recommends that we carefully reflect on the most appropriate date for the Conference, with a view to maximizing its potential for impact.

Mexico believes that, given the high technical level of the discussion, it is practically impossible to exhaust, or even to discuss to the required extent, each section of the Consensus. The holding of round tables such as those established for this occasion is extremely useful, but undoubtedly insufficient. For that reason, my delegation considers that consultations, including expert-level consultations, are indispensable in the preparations for the Doha Conference, so that each section of the Monterrey Consensus can be dealt with individually, taking into account new issues of increasing relevance for development.

Mexico does not deem it advisable to renegotiate the content of the Monterrey Consensus. From our point of view, that document reflects the collective will of the international community to build a solid foundation for development from a broad perspective. The most praiseworthy achievement of the document was, perhaps, to shape this common will, highlighting the possibilities for finding common elements in our diversity.

In that spirit, we believe that revisiting the Monterrey Consensus would be useful only if we would strengthen and renew this common vision. Therefore Mexico thinks it is not only important to review what has been achieved in fulfilling the agreed objectives and renewing our commitments, but also to include subjects that are of strategic importance.

For that purpose, Mexico considers it necessary to establish adequate coordination between the various initiatives and future meetings dealing with items related to development. From my country's perspective, such a connection is inherent to the content of the Monterrey Consensus and becomes evident in formulating questions such as the following.

How can we finance the indispensable efforts to deal with the effects of climate change, particularly measures to adapt to and mitigate its effects, including the transfer of technologies? What effective measures can be taken to satisfy the specific financing needs of countries and regions that, according to current trends, will not achieve the Millennium Development Goals? Which strategies and actions can the international community propose and apply to support the efforts of middle-income countries — in which 40 per cent of the world's poor population lives — for the eradication of poverty? How can we maximize the impact and minimize the negative effects of trade openness through the mobilization of national and international resources?

We must recognize that each one of those areas has its own specialized forums and mechanisms, and the objective here is not to replace them nor to find global solutions. Nevertheless, given the holistic and crosscutting perspective of the Monterrey Consensus, it would be logical to apply the wealth of knowledge and experience acquired since the signing of the Consensus to the efforts of the international community in those areas, particularly within the United Nations system.

It is my delegation's view that, in order to provide a more effective follow-up to the efforts undertaken thus far and to face new items and challenges, it would be useful to strengthen the follow-up mechanism for the implementation of the Monterrey Consensus within the Secretariat.

The political interest that the Conference is able to garner will depend on the perception we project of its timeliness, its long-term vision and its usefulness. My delegation believes that if we set the most appropriate date, include all the relevant actors, contribute substantially to the key events that will take place between now and the Conference and renew our commitment to achieving our common goals, we will inevitably generate the highest expectations.

The President of the Assembly can count on the delegation of Mexico to support him in this effort.

The Acting President: I now give the floor to His Excellency Mr. Abderrahim Ould Hadrami, chairman of the delegation of Mauritania.

Mr. Ould Hadrami (Mauritania) (*spoke in French*): I shall follow the recommendation to be brief. My country's delegation welcomes the holding of this High-level Dialogue on Financing for Development. My country associates itself with the statements made by the representative of Benin on behalf of the African Group and by the representative of Pakistan on behalf of the Group of 77 and China. We wish to congratulate the Secretary-General on his excellent report on the follow-up to the implementation of the Monterrey Consensus (A/62/217), and thank him for the timely recommendations it contains.

The 2002 International Conference on Financing for Development and the Monterrey Consensus reached there demonstrate the grave concern of the international community regarding the worrisome gap between North and South in terms of well-being and social progress. We welcome that new-found awareness and hope that, henceforth, bold and innovative measures will be undertaken and swiftly implemented in the daily lives of our populations.

But, we must note that, five years after Monterrey, much remains to be done. That is why it is more necessary than ever before to persevere in our commitments. My country's delegation subscribes completely to the call by the Secretary-General, Mr. Ban Ki-moon, on donor countries to honour all of the commitments they have undertaken in the area of development and to urgently increase the global volume of aid flows in order to achieve the internationally agreed development goals, including the Millennium Development Goals.

My country welcomes the convening, in 2008 in Doha, of the Follow-up International Conference on the implementation of the Monterrey Consensus, and we hope it will be successful. We have great hope for that forum's potential for discovering new and effective paths for financing for development.

The present High-level Dialogue on Financing for Development is a good opportunity for my country to share recent developments in our country which have brought prosperity and social progress to the people of Mauritania. In recent months, we have witnessed the culmination of the country's process of transition to democracy and pluralism, after a transitional period of barely a year and a half. That has enabled us to put an end to the succession of monolithic systems that has prevailed in Mauritania since independence, and to establish a healthy basis for democracy.

Today, my country has legitimate republican institutions and representatives chosen by the people in full sovereignty, through elections recognized by all as transparent and fair. We can be legitimately proud of this. But we are also called to action, since our democracy will remain fragile until its institutions have undertaken the necessary actions to improve, in tangible terms, the living conditions of our population.

Democracy and stability are never absolute; they can become sustainable and durable only in societies that make progress. That is why it is now urgent for Mauritania to have immediate access to the resources that would enable us to embark on the right track towards development.

In that context, the Mauritanian authorities in power since April 2007 have undertaken urgent measures and formulated a development plan for the next three years. This emergency plan, inspired by the spirit and principles of the Monterrey Consensus, aims at alleviating the suffering of our people through resolute and accelerated progress towards the Millennium Development Goals.

The Mauritanian authorities will give absolute priority to the following activities: building national unity through the return of Mauritanian refugees who are living outside the country due to the severe shortcomings in human rights enforcement in the country in past years, and eradicating the consequences of slavery; investing in human resources, including through improving education, health and vocational training; establishing infrastructure to support growth and job creation, in particular through energy production and facilitating trade exchanges through improvements in transport infrastructure; improving access to basic services; and ensuring the balanced development of our national territory.

To implement that plan, the Mauritanian Government has identified all domestic resources that can be mobilized in the next few years and all international financing available to our country today. My country counts on the solidarity of the international community in mobilizing the remaining funds needed for our development plan, currently amounting to $1.3 billion.

With the active support of all of its partners, in particular the United Nations Development Programme, the European Union and the World Bank, my country will organize a meeting of the consultative group, to be held in Paris from 4 to 6 December 2007. I take this opportunity to express my country's sincere gratitude to our development partners for their cooperation and their support, and to express our desire to see all development partners and donors contribute fully to mobilizing the financial resources necessary for the implementation of our development plan and for relaunching national reconstruction in Mauritania.

The Acting President: I now give the floor to Her Excellency Ms. Aura Mahuampi Rodríguez de Ortiz, chairperson of the delegation of Venezuela.

Ms. Rodríguez de Ortiz (Venezuela) (*spoke in Spanish*): In the first few years of the twenty-first century, United Nations Member States and members of the World Trade Organization reached agreement, in the Millennium Declaration, the Monterrey Consensus and in the Doha Ministerial Declaration of the Fourth Ministerial Conference of the World Trade Organization (WTO), on international strategies that had as their primary focus the development needs of developing countries. The agreements were reached after difficult and lengthy negotiating processes. There was no lack of pressure and attempts at compulsion by some members of the international community.

Since the Monterrey Conference, poverty, inequality and social exclusion continue to be undesirable realities, requiring effective political will to eliminate them and create conditions that take into account the diversity of all of our countries' alternative approaches to development. We must note that although the changes necessary for achieving development goals were highlighted at Monterrey, there is no single or universal approach to that problem. Results will depend on both the developed and the developing countries sharing responsibilities.

We must recall the right of peoples to self-determination. In accordance with that right, peoples are entitled to freely define their political status and achieve economic, social and cultural development. The mobilization of national financial resources for development requires that the political opportunities of developing countries be preserved and expanded, so that they can fulfil their primary duty of creating favourable conditions for development.

This means that the State must be able to plan, execute and evaluate the broadest range of public policies, on the understanding that development is a cross-cutting subject, affecting all social relations. In order to make optimal use of national resources, States have an essential role to play in guiding the development process. Although public-private alliances can be one way among many to finance development, private interests that focus solely on profits cannot create the best conditions to achieve general development goals.

Fair prices must be set and respected in the sale of our raw materials, and our means of production must be reinvigorated in line with clear national development goals, in order to mobilize national resources to achieve development goals. Such efforts are a sine qua non for development.

With regard to mobilizing international resources for development, an environment conducive to investment must be established, one that avoids the many risks posed by the inequalities arising from globalization. In that respect, we must establish national and international regulations that strengthen social safety nets, increase security and social stability, preserve and expand decent, dignified working conditions and preserve the environment. For that reason, an environment conducive to national and foreign investment must be created and must be based on the will of our people, who are demanding that development and will be the ones to benefit from it.

Despite the efforts that have been made by developing countries, developed countries must abide by their commitment to allot 0.7 per cent of their gross national income to official development assistance, without conditionalities. They must increase the capacity of developing countries to take part in the decision-making process of international financial institutions. And they must also significantly reduce the burden of foreign debt. It is urgent that we take into account the fact that without real democratization of the systems governing international finance and assistance, it will not be possible to maintain consistency in development efforts, and the Millennium Development Goals set for 2015 will not be achieved. We must also recognize that we need to review the factors that have caused multilateral trade negotiations to become bogged down. These highlight the many major contradictions between trade and development and even endanger the very legitimacy of the multilateral trade system.

We are convinced that it is necessary to strengthen South-South cooperation. The Bolivarian Republic of Venezuela has taken such steps in financial, energy-related, humanitarian and social areas in order to promote the development of our people.

In the financial realm, we have made significant progress in creating mechanisms to promote financial cooperation and integration. We have created new financial institutions focused on social issues, the best example of which is the Bank of the South. For their part, Petrocaribe, Petrosur and Petroamerica are all platforms for cooperation aimed at meeting the energy needs of many developing countries in our region. We have forged many alliances with the State enterprises of Latin America and Asia. At the same time, we have intensified our cooperation with Africa.

In the social arena, the international Miracle Mission treats people with eye problems in order to restore their vision, and Mission Robinson brings us together with the sister Republic of Cuba and has enabled a rapid and effective improvement in literacy rates in many countries of the Western hemisphere. The Bolivarian Alternative for the Americas is an unprecedented effort to bring about integration on a different basis than that of the exclusionary model of free trade. The Alternative has proved that it is possible to establish relations between peoples based on completely different philosophical principles and aimed at the eradication of poverty.

Finally, as regards the report of the Secretary-General on the follow-up to and implementation of the Monterrey Consensus (A/62/217), we would have preferred a text with an exclusive focus on analysing the progress achieved. We would also have liked to see the report reflect the problems faced by developing countries, which were clearly described by heads of State or Government in the recent general debate held in the Assembly. Throughout the report, the focus should be on undertaking strategies for financing for development primarily in order to reduce the most extreme inequalities between countries and to level out financing opportunities, improving efficiency as well as equity. In that way, we would hope to obtain the resources necessary for us to carry out our national development plans, the central policy of which has been to improve access to education and health and heighten the productivity of poor people, thereby significantly improving their quality of life. Those efforts are indispensable for achieving social justice and economic development.

Other actions that obstruct efforts to genuinely reduce inequalities are undermining the fulfilment of the Monterrey Consensus commitments. Those actions claim to go beyond the Monterrey Consensus, but they distort follow-up efforts and disrupt the disbursement of financing for development. Those actions treat the issue of development with too much relativism and impose too many policy recommendations. These are all subjects that we hope will not emerge once again at the Follow-up International Conference to be held in Qatar next year. We look forward to that Conference, and we hope it will be an opportunity to demonstrate the political will necessary to respond to the development demands of our peoples.

The Acting President: I now give the floor to His Excellency Mr. Collin Beck, chairman of the delegation of Solomon Islands.

Mr. Beck (Solomon Islands): I would like to thank the President of the Assembly for convening this high-level meeting. We certainly recognize the vital role this gathering is playing as we work towards Doha.

My delegation would like, first of all, to associate itself with the statements presented by the State Minister for Economic Affairs of Pakistan on behalf of the Group of 77 and China and by the Honourable

Finance Advisor of Bangladesh on behalf of the least developed countries.

In contributing to the debate, my delegation would like to focus on aid effectiveness, reform of the Bretton Woods institutions, debt, trade and the United Nations system-wide focus on development as we galvanize our efforts towards poverty eradication, sustainable economic growth and global prosperity for all.

On the issue of aid effectiveness, my delegation agrees with other delegations that there must be some improvement on enhancing ownership and coordination and harmonizing donor funds with the development needs of developing countries. This is said against the background of a continued emphasis on non-productive sectors, such as governance. In many instances, that is narrowly defined as pertaining to the formal sector, without much attention given to the informal or rural sector.

My delegation also agrees with the annual report of the Secretary-General (A/62/1), in which he stated that too much aid is being project-driven, thus making funds not only unpredictable but externally driven. A huge amount of those funds is taken up by technical assistance and travel, leaving less to be devoted to country investment.

On the issue of the Bretton Woods institutions, Solomon Islands registers its support for the call for those institutions to undergo reform and become more representative of their membership. In the case of the International Monetary Fund, 94 per cent of the world's population accounts for only 40 per cent of the votes. With a view to the five-year review of the Monterrey Consensus, the time is right to adopt a more representative, democratic and participatory process for the Fund's decision mechanism. Solomon Islands also would like to subscribe to the idea of advocating for a closer institutionalized dialogue relationship among the Economic and Social Council, the Bretton Woods institutions, the World Trade Organization (WTO) and the United Nations Conference on Trade and Development.

I turn now to the issue of external debt. In examining innovative ways of addressing this issue, my delegation would like to lend its support to the initiative of the Philippines to convert debt into equity financing for Millennium Development Goals (MDGs) projects. The debt stock of Solomon Islands is five times the country's gross domestic product (GDP). Debt servicing alone accounts for more than one third of our GDP, or 38 per cent of gross national product (GNP). Our total external debt is about $150 million, an amount that has placed a financial stress and burden on the country's economy and on its ability to invest in the development sector. My delegation notes that with international support something could be done to relieve the debts of all least developed countries (LDCs). We hope that this could be among the outcomes of the Doha Conference. It is pleasing to hear what the Group of Eight (G-8) has been done on debt cancelling for selected countries. We hope that more widespread attention could reach to the most vulnerable Members of the United Nations.

On the issue of trade, my delegation hopes that the Doha Round of trade negotiations can be completed with action-oriented outcomes in market access, including a rule-based system with policy space and assistance for developing countries with developing markets to make the necessary adjustments.

In undertaking all of the aforementioned, special attention must be given to the most vulnerable members of this Assembly — the least developed countries and the small island developing States — given their structural constraints and their specific administrative and institutional shortcomings. The least developed countries in particular account only for 2 per cent of global trade, and will need duty-free and quota-free access for all products to assist them in fully integrating themselves into the global market. As this high-level meeting will note from the Secretary-General's report (A/62/190), least developed countries' products continue to be subjected to some form of tax by some countries.

On the United Nations system-wide focus on development, my delegation is concerned that there is a slow and uneven distribution of the financial resources allocated to development. More resources seem to be committed to peace and security and fewer to development. My delegation hopes that we can work towards finding a balance.

In this connection, my delegation wishes to propose that the Secretary-General undertake an analysis of the resources needed to assist both the Economic and Social Council and the Department of Economic and Social Affairs in strengthening their mandates in preparation for the next year's Doha meeting on financing for development. Special attention must be given to the both the Small Island Developing States Unit and the High Representative's Office.

My delegation is aware that there are so much goodwill and so many mechanisms out there. However, the stringent process and conditions that have been placed on the funding mechanisms have made it almost impossible for small island developing States and least developed countries to tap into them. We hope for greater simplification of the process, reduction in transaction costs, faster turnaround time for proposals and finally, and more important, complete rather than partial funding disbursal.

Given the importance of climate change, my delegation would like to see more being done in the forestry sector to relieve the economic pressure from commercial logging, through conservation of forests through a carbon credits facility.

I would like to close by once again thanking everyone for their patience; it has been a long day. I reiterate my delegation's commitment to the Monterrey Consensus and assure the President of our support.

The Acting President: Before adjourning the meeting, I wish to inform members that since the list of speakers for the High-Level Dialogue is not exhausted, the Dialogue will continue and, hopefully, conclude tomorrow morning.

I thank members very much for their cooperation, and would like to thank very, very warmly the interpreters, the technicians and the conference officers for their understanding and their cooperation.

The meeting rose at 6.35 p.m.