



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY H.E. AMBASSADOR KINGSLEY MAMABOLO, PERMANENT REPRESENTATIVE OF THE REPUBLIC OF SOUTH AFRICA TO THE UNITED NATIONS, CHAIR OF THE GROUP OF 77, AT THE ECOSOC SPECIAL HIGH-LEVEL MEETING WITH THE WORLD BANK, THE IMF, THE WTO, AND UNCTAD (New York, 20 April 2015)

Mr. President,

I have the honour to deliver this statement on behalf of the Group of 77 and China. At the outset, the Group would like to express the importance for this annual Special High-level meeting of ECOSOC with the World Bank, the International Monetary Fund, the World Trade Organization (WTO), and the United Nations Conference on Trade and Development (UNCTAD), to be addressing the overall theme "Coherence, coordination and cooperation in the context of financing for sustainable development and the post-2015 development agenda".

This meeting is important because it is being held in the context of the follow-up process to the United Nations Conference on Sustainable Development (Rio+20) and the discussions on the Post-2015 Development Agenda, as well as the preparations for the Third International Conference on Financing for Development to be held in Ethiopia in July of this year.

The Second Drafting Session on the Zero Draft in preparation of the Third International Conference on Financing for Development completed its Session that was held from Monday, 13 April to Friday 17 April 2015. It became clear from the beginning of the meeting that there is a need for additional inter-sessional consultations to work further on the Zero Draft on Financing for Development. The Group of 77 and China trusts that contributions and submissions on the Zero Draft by Member States will be consolidated in order to create a good basis for further inter-governmental negotiations on this process. The Group is not in support of any proposals of a revised text. Working on a compilation text going forward will assist in delivering an ambitious and actionable Addis Ababa Outcome Document.

In particular, there is a need to achieve an appropriate balance between public and private sector roles and responsibilities in the financing for development in the context of the post-2015 development agenda. To date, however, the discussions on the Zero Draft have demonstrated that there is no agreement in this regard. Skewing the balance heavily in favour of the role of the private sector in supporting sustainable development is not in the interests of developing countries, especially in terms of existing business models. International and domestic public financing, in the context of a strengthened and scaled up global partnership for development, among governments, is the primary source of funding in this regard.

The Group of 77 and China is of the firm view that the issue of policy space for national governments must also be respected. Individual Member State regulations on public domestic financing must be the prerogative of national governments, in accordance with their own specific needs and objectives. The manner in which additional forms of financing are incorporated must also recognize the role of governments in regulating financing channels to fund development programmes that are being implemented in their respective countries.

Mr. President,

Regarding the theme to be discussed in this Special High-Level Meeting, the Group of 77 and China recalls that the previous world financial and economic crisis and its consequences for development have underscored the gaps and failures in global economic governance within the international financial and economic system. There is a serious need to strengthen the role of the United Nations in international economic and financial affairs, including its coordinating role in global economic governance. The Group of 77 and China would like to stress the need for urgent fundamental reforms of the Bretton Woods Institutions (BWIs), particularly their governance structures, based on full and fair representation of developing countries, in order to address the lack of democracy in these institutions, otherwise their legitimacy will remain questionable. The Group calls for the immediate entry into force of the 2010 IMF Governance and Quota Reform, as well as the commitment to further advance a more comprehensive reform process of IFIs. The Group urges to ensure that IMF provides more comprehensive and flexible financial responses to the needs of developing countries, without imposing pro-cyclical conditionalities and respecting their need for adequate policy space.

Mr. President,

The Group of 77 and China believes that ensuring adequate and stable development resources is not only crucial to the progress of international development cooperation, but also the core components of the post-2015 development agenda. The principle of "common but differentiated responsibilities" (CBDR) must be the guiding principle on which the global development agenda is based, including the financing thereof. The development agenda should take eradicating poverty and promoting development as the centerpiece and give top priority to the difficulties and challenges of developing countries.

The Group of 77 and China strongly believes that effective means of implementation, including adequate, predictable and stable financing for development; as well as technology transfer with concessionary and preferential terms, and capacity building tailored to the specific needs of developing countries would be central to this renewed and strengthened global agenda. The global development partnership should be enhanced for common prosperity and development. North-South cooperation remains as the core of this partnership and South-South cooperation is a useful supplement to North-South cooperation. Development financing should be enhanced with North-South cooperation serving as the main channel.

The Group of 77 and China wishes to express its deep concern at the erosion of development cooperation in terms of Official Development Assistance (ODA). With immediate effect, the Group reiterates the need for developed countries to urgently fulfill all their existing ODA commitments, in particular the historic commitment to reach the target of 0.7 per cent of gross national income for official development assistance to developing countries, including 0.15 to 0.20 per cent of gross national income to least developed countries.

In addition, ODA should be increased at least to 1% and the share of ODA to LDCs should be increased as agreed upon in the Istanbul Programme of Action (IPoA). The Group strongly supports the proposal to set concrete binding time-tables for ODA commitments. The systemic shortcomings of international monetary, financial and economic institutions cannot be overemphasized and must be addressed through the serious reforms mentioned above. Business cannot simply continue as usual. In addition, in order to complement national development efforts, we also recognize the urgent need to enhance coherence and consistency of the international monetary, financial and trading systems. The international community should further improve global economic governance and create a fair, open and orderly international economic environment for the developing countries.

The Group of 77 and China looks forward to a fruitful outcome from the discussions during this important meeting. We trust that the outcome would assist all of us to work together in ensuring that development does not continue to elude the majority of the developing countries, but, instead, is a realistic and achievable goal for all humanity.

Thank you.

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