



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MR MAHLATSE MMINELE, DEPUTY PERMANENT REPRESENTATIVE OF THE REPUBLIC OF SOUTH AFRICA TO THE UNITED NATIONS, AT THE ECOSOC COORDINATION AND MANAGEMENT MEETING: FOLLOW-UP TO THE INTERNATIONAL CONFERENCE ON FINANCING FOR DEVELOPMENT; AND INTERNATIONAL COOPERATION IN TAX MATTERS (New York, 9 June 2015)

Madame President,

I have the honour to deliver this statement on behalf of the Group of 77 and China. At the outset, the Group of 77 and China would like to compliment you for your able leadership and stewardship as President of this current session of the ECOSOC Coordination and Management Meeting. We trust that this Meeting will assist in moving the ECOSOC transformative agenda forward.

In all our deliberations, we trust that the principle of the Common but Differentiated Responsibilities (CBDR) shall be invoked in order to appreciate the different levels of our development as Member States of the United Nations.

The Group of 77 and China would also like to reiterate its position on the respect of national policy space in the issues before us. Work at the United Nations regarding different thematic issues needs to be carried out for the benefit of countries, at their request and in accordance with their own priorities.

Madame President,

The Group of 77 and China would like to recall Resolution 69/208 that was adopted by the General Assembly on 19 December 2014 regarding the "Follow-up to the International Conference on Financing for Development." In that context the General Assembly recalled, inter alia, the International Conference on Financing for Development, held in Monterrey, Mexico, from 18 to 22 March 2002, and the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, held in Doha from 29 November to 2 December 2008, and its resolutions 68/6 of 9 October 2013, 68/204 of 20 December 2013 and 68/309 of 10 September 2014 concerning the Open Working Group on Sustainable Development Goals established pursuant to General Assembly resolution 66/288.

Further, concerning the afore-mentioned Resolution, the General Assembly recalled the United Nations Conference on Sustainable Development, held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, and its outcome document, entitled "The future we want", and also the sixth High-level Dialogue on Financing for Development, held in New York on 7 and 8 October 2013. Furthermore, the General Assembly further recalled its resolution 68/279 of 30 June 2014 on modalities for the third International Conference on Financing for Development, in which it welcomed the offer of the Government of Ethiopia to host the Conference, to be held in Addis Ababa from 13 to 16 July 2015 and also took note of the report of the Secretary-General on the follow-up to and implementation of the Monterrey Consensus and Doha Declaration on Financing for Development.

The General Assembly also requested the Secretary-General to report to the General Assembly at its seventieth session on the outcome of the Conference. Furthermore, the General Assembly decided to include in the provisional agenda of its seventieth session an item entitled "Follow-up to

and implementation of the outcomes of the International Conferences on Financing for Development".

The third International Conference on Financing for Development process is only left with one week of this drafting session as per the mandate of General Assembly Resolution 68/279. The Financing for Development Co-Facilitators had demonstrated keenness to conclude this process by 19 June 2015. There is commitment from both the Group of 77 and China and the Development Partners to complete this work according to the agreed time-frames.

In addition, there is also a need to mobilize the highest political participation for the third International Conference on Financing for Development taking place in Addis Ababa. The Group of 77 and China believes in quality deliverables that would have to come out of the Addis Ababa Outcome Document so as to not lose focus on the purpose of this Meeting. Whilst the Group acknowledges the speed at which to fulfil the 19 June deadline, we are mindful not to compromise on important deliverables such as:

- International Conference on Financing for Development to resemble the scope and structure of Monterrey Consensus and Doha Declaration, the titles and sub-titles to reflect that the Conference is about Financing for Development.
- Traditional definition of Official Development Assistance ODA (North-South) should be maintained.
- The principle of CBDR should be adhered to.
- Listing of regions (including people and countries living under foreign occupation) need to be respected.
- Separation of financing for development track from the sustainable development goals SDGs and the United Nations Framework Convention on Climate Change (UNFCCC). Climate finance should thus not be included in the financing for development Process.
- The inter-governmental and Universal Commission on Review and Follow up for the financing for development Process need to be looked at.
- Upgrading of the Tax Committee and Statistical Commissions to inter-governmental entities.

Madame President,

The Group of 77 and China would like to resist any attempts to weaken the third International Conference on Financing for Development Outcome Document by erroneously turning it into the SDG's (and further turning it into Goal 17).

The Group is steadfast and resolute in its poise, to ensure a meaningful and ambitious outcome of the financing for development Process in order to suit the interests of all Member States of the United Nations. Poverty eradication in all its forms should be at the centre of this agenda.

Madame President,

We maintain that while there is increasing recognition of the central role of tax systems in development, the fact remains that there is still no global, inclusive norm-setting body for international tax cooperation at the inter-governmental level. There is also not enough focus on the developmental dimension of these issues.

This has become increasingly evident as we head towards the Third Financing for Development Conference in Addis Ababa next month, as well as the adoption of the post-2015 development agenda in September. In this context, the Secretary-General's report notes "[t]hat there has been unprecedented demand from both developing and developed countries for strengthening international cooperation in tax matters."

Madame President,

The Group of 77 and China has repeatedly called for the upgrade of the Committee of Experts on International Cooperation in Tax Matters, transforming it from experts acting in their own capacity, to an inter-governmental entity. We believe that this would go a long way in not only strengthening international cooperation in tax matters, but it would allow all Member States, including developing countries, to have an equal say on issues related to tax matters as well.

We must acknowledge, in this regard, that the role of the United Nations on international cooperation in tax matters is especially important, as it is the only true global forum with universal relevance and participation. Here, the Secretary-General's report notes that "[i]n its work, the Committee proposes solutions focused on needs and priorities of developing countries, which may, nevertheless, ultimately benefit all States Members of the United Nations.

In addition to its major accomplishments, namely the update of the United Nations Model Convention and the completion of the United Nations Transfer Pricing Manual, the Committee of Experts had also done good work in the area of capacity-building on international tax matters. There is still scope for improvement.

Tax matters in the confines of national governments should be respected as such. There should not be any interference from any external actors in these processes as this would be in contravention of the principle of sovereignty of states. In no way should this replace ODA. The Group is of the firm view that ODA represents the major source of financing for the development of many developing countries and it must target the eradication of poverty in its multiple dimensions.

The Group further proposes that the unfulfilled ODA commitments on the unfinished Millennium Development Goals (MDGs) should be carried forward and the impact of the "ODA deficit" be assessed and estimated in the context of the review of the implementation of the Monterrey Consensus and Doha Declaration, as a matter of urgency.

Madame President,

The Group also believes that the Committee of Experts should be elevated to an inter-governmental level and to enable the Committee of Experts to effectively make its mark with regards to being one of the sources to contribute to the financing for development and the post-2015 development agenda processes. Indeed, we anticipate that the outcome of the Third Financing for Development Conference reiterate a commitment to upgrade the Committee to an inter-governmental body of the ECOSOC. The Group will continue to maintain its position on this issue until it's finally resolved. We urge on the ECOSOC to speedily act on this issue in order to make the global discourse in tax matters to be transparent and inclusive.

Madame President,

The Group of 77 and China remains confident that an amicable solution will be reached sooner in concluding work on the Zero Draft of the third International Conference on Financing for Development.

The Group urges Member States to also move towards resolving the current impasse in tax matters. Work in tax matters should be informed by a commitment to operate within the confines of a revitalised global partnership.

We owe this to future generations who depend on all of us to ensure a brighter future for them, going forward.

I thank you!

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77

G-77