



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY H.E. AMBASSADOR MOHAMED EDRESS, PERMANENT REPRESENTATIVE OF EGYPT TO THE UNITED NATIONS, CHAIR OF THE GROUP OF 77, ON THE JOINT CONSIDERATION OF ITEM 18: MACROECONOMIC POLICY QUESTIONS AND ITEM 19: FOLLOW-UP TO AND IMPLEMENTATION OF THE OUTCOMES OF THE INTERNATIONAL CONFERENCES ON FINANCING FOR DEVELOPMENT, AT THE SECOND COMMITTEE OF THE UN GENERAL ASSEMBLY (New York, 11 October 2018)

Mr. Chairman,

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 thank the Secretary-General, UNCTAD, DESA for the reports submitted under this agenda item, which will enrich our deliberations on the relevant issues. I would like also thank Ambassador Salim Baddoura, president of trade and development board of UNCTAD for his report. The general debate on macroeconomic policy questions provides Member States with a unique opportunity to call for real transformative changes to the way we address global development challenges.

Mr. Chairman,

The world faces many challenges and risks that could hinder achievement of the 2030 Agenda. Cyclical upturns disguise significant weaknesses and medium-term risks. A disorderly tightening of financial conditions, the adoption of inward-looking policies and debt vulnerabilities as well as escalation of geopolitical tensions could disrupt development progress. Persistently high levels of inequality pose a challenge to robust growth and sustainable development. Declining private investment in infrastructure indicates inability to sufficiently align investment with long-term sustainable development. Structural changes are urgently needed to address those challenges and to create an enabling international environment in support of development. The G77 also reaffirms that the imposition of coercive economic measures, including unilateral sanctions, against developing countries, does not contribute to economic and social development, including dialogue and understanding among countries.

Mr. Chairman,

International trade is an important source to finance development and achieve inclusive economic growth as well as poverty eradication. We reaffirm the significance of a universal, rules-based, open, transparent, predictable, inclusive, non-discriminatory and equitable multilateral trading system under the World Trade Organization (WTO), as well as meaningful trade liberalization, which can stimulate development worldwide. We are concerned with the increase in the unilateralism and protectionist measures and rhetoric that will not only undermine the multilateral trading system, but also will lead to negative impact on access for developing countries' exports to global markets.

It is a matter of deep concern that the Doha Development Agenda, which aims at addressing the systemic imbalances in the multilateral trading system and ensuring more integration of developing countries in international trade, has not been concluded. We encourage WTO members to

strengthen special & differential treatment for developing countries and to address the imbalances and inequities of the current global trading regime.

Mr. Chairman,

Emerging debt challenges and vulnerabilities have intensified across developing countries since 2017. Several developing countries are fiscally constrained in generating resources needed for implementation of the 2030 Agenda due to their debt burdens. Risks of a potential renewed cycle of debt crises and economic disruption poses severe challenge to the achievement of the SDGs. We stress the need to explore the means and instruments needed to achieve debt sustainability as well as the necessary policies and measures to reduce the indebtedness of developing countries, including, inter-alia, debt relief, debt financing, debt restructuring and sound debt management.

Mr. Chairman,

We note with deep concern the increase in the flow of illicit funds, particularly from developing countries, and the negative impact it poses with respect to the resources available to finance development. We call upon the international community to strengthen cooperation to combat illicit financial flows in all its forms as well as to ensure the return of assets to the countries of origin, in a timely manner, in line with domestic and international law.

We reiterate the need to strengthen international cooperation on tax matters, recognizing with concern that there is still no single global inclusive forum for international tax cooperation at the intergovernmental level. In that regard, we reaffirm the need to fully upgrade the Committee of Experts on Tax Matters to an intergovernmental body with experts representing their respective governments.

Mr. Chairman,

The 2008 world financial and economic crisis highlighted the regulatory gaps in the international financial system. The structural reform of the international financial system and relevant institutions is urgently needed to avoid recurrence of crises that could have severe negative impacts on the economies of developing countries. Moreover, there is a need to make the international financial system and the relevant institutions more responsive to the needs and concerns of developing countries including broadening and strengthening their participation in global economic governance and international economic decision-making.

Mr. Chairman,

With regard to item 19 on "Follow-up to and implementation of the outcomes of the international conferences on financing for development," the Group express its concern about the significant impacts of the challenging global environment on national efforts to implement the Addis Ababa Action Agenda. In this context, appropriate emphasis has to be placed on an enabling global environment and global partnership for development, balanced against the increasing emphasis being placed on domestic resource mobilization.

The Group stresses that financing for development is key to the implementation of the 2030 Agenda for Sustainable Development. We reiterate that financing for development should focus on channeling resources to poverty eradication, which is the overarching goal of the 2030 Agenda. In this context, any resources to finance development must be aligned with the national priorities of the countries. We look forward to the High-level Dialogue on Financing for Development to be convened under the General Assembly in 2019.

The Group would like to reiterate the importance of the resolution on "Follow up to and implementation of the outcomes of the International Conferences on Financing for Development" as a key tool to provide policy guidance from the General Assembly on the process of following up the Third Conference on Financing for Development adopted in Addis Ababa on 2015.

I thank you.

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