



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY
AMBASSADOR SACHA LLORENTTY, PERMANENT REPRESENTATIVE OF
PLURINATIONAL STATE OF BOLIVIA TO THE UNITED NATIONS, CHAIRMAN
OF THE GROUP OF 77, AT THE SPECIAL HIGH LEVEL MEETING OF
ECOSOC WITH THE BRETTON WOODS INSTITUTIONS, THE WORLD
TRADE ORGANIZATION, AND THE UNITED NATIONS CONFERENCE ON
TRADE AND DEVELOPMENT (New York, 14 April 2014)**

Mr. President,

I have the honor 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 Bretton Woods Institutions (BWIs), 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 especially important because 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.

Regarding the mentioned theme to be discussed in this Special Meeting, the Group of 77 and China recalls that the world financial and economic crisis and its consequences in development have underscored the gaps and failures in global economic governance within the international financial and economic system, and in that sense there is a high need of strengthening the UN role in international economic and financial affairs, including its coordinating role in global economic governance. In this regard, ECOSOC, as the mandated United Nations body tasked with ensuring coordination, coherence and cooperation among the relevant economic and social bodies should be strengthened to play a role in global economic governance.

The current institutional arrangements have proved to be inadequate in addressing a range of pressing development issues, including reducing inequalities and high levels of unemployment at the global level. It's clear that the international financial and monetary systems need urgent systemic reforms to make them more effective, transparent and legitimate. We need an international financial architecture that reflects the current realities and increase the voice and participation of developing countries in global economic governance. We also stress the need for a properly regulated financial sector that reduces and discourage speculative investment, and facilitate the mobilization of financial flows for the achievement of sustainable development.

Mr. President,

The Group would like to stress the need for ambitious and expeditious reform of the Bretton Woods Institutions, 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 G-77 and China believes that there is a need for fundamental reforms in the IMF governance structures to be implemented, in order to reflect the current realities of the developing countries and to achieve parity of voting power for developing countries as a group in the decision making process within the BWIs and in all discussions on international monetary reform and in the operation of the new arrangements for Special Drawing Rights in the International Monetary Fund.

The IMF must provide more comprehensive and flexible financial responses to the needs of developing countries, without imposing procyclical conditionalities and respecting their need for adequate policy space.

Due to the continuation of the global economic crisis, the economies of increasing numbers of developing countries are being affected, and some countries are becoming more vulnerable to new external debt problems or even crises. Additionally, the slow growth of the world economy has resulted in a much slower pace of poverty reduction in many developing countries and a drop in investments in critical areas for achieving the MDGs. Addressing external debt problems of developing countries is thus an important part of international cooperation and the enhanced global partnership for development.

In order to improve their effective participation in the multilateral trade system, the Group of 77 and China stresses the importance of facilitating the accession of all developing countries and least developing countries that apply for membership in the World Trade Organization (WTO), without political impediments, in an expeditious and transparent manner. In order to fully harness the potential of trade, it's vital to uphold a universal, rule-based, open, non-discriminatory and equitable multilateral trading system.

Mr. President,

The Group of 77 and China believes that ensuring adequate and stable development resources are not only crucial to the progress of international development cooperation, but also the core components of the post-2015 development agenda. Ensuring financial support for the socio-economic development of developing countries will help with their development, which in turn will advance the development and prosperity of the whole world. The framework of Monterrey Consensus should be kept. Public international finance remains the core of international cooperation for development and a main concern of all developing countries. The principle of "common but differentiated responsibilities" is the guiding principle of the global partnership for development.

A renewed and strengthened global partnership is imperative if we are to achieve a transformative, people centered and sustainable development agenda. In this regard, it's important to build on the strengths of the current global partnership, in particular the strong foundations and holistic approach of Monterrey and Doha conferences on financing for development.

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 partnership.

The Group of 77 and China wishes to express its deep concern for the erosion of development cooperation in terms of Official Development Assistance (ODA) and reiterates the need for developed countries to urgently fulfill all their ODA commitments in particular the commitment to reach the target of 0.7 per cent of gross national product for official development assistance to developing countries by 2015, as well as a target of 0.15 to 0.20 per cent of gross national product

to least developed countries.

The Group of 77 and China reaffirms the central role played by the United Nations as a focal point for the financing for development follow-up process and the need to maintain that role to ensure the continuity and dynamism of the process, while reaffirming the need to further intensify the engagement of all stakeholders, including the United Nations system, the World Bank, the International Monetary Fund and the World Trade Organization, in the follow-up and implementation of the commitments made at Monterrey and Doha.

Systemic shortcomings of international monetary, financial and economic institutions cannot be overemphasized and must be addressed through the serious reforms mentioned before. 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.

A more inclusive framework of global economic governance is mandatory to improve the functioning, stability and resilience of these institutions. Developing countries should be supported by an enabling international environment in support of development. This calls for a new set of open macroeconomic policies that avoid the contractionary and unequal impact of the liberal approach in order to keep a stable macroeconomic environment, pursuing long term-growth and lowering income inequality.

With that being said, the Group of 77 and China looks forward to a fruitful outcome from today's discussion.

Thank you.