



STATEMENT BY H. E. AMBASSADOR STAFFORD NEIL, PERMANENT REPRESENTATIVE OF JAMAICA TO THE UNITED NATIONS AND CHAIRMAN OF THE GROUP OF 77, TO THE INTERGOVERNMENTAL PREPARATORY MEETING FOR THE THIRTEENTH SESSION OF THE COMMISSION ON SUSTAINABLE DEVELOPMENT (New York, 28 February 2005)

Mr. Chairman,

I have great pleasure in congratulating you on your election to Chair the Thirteenth Session of the Commission on Sustainable Development. We have full confidence in your leadership and guidance based on your experience and deep knowledge of the issues before us. Needless to say, you can rely completely on the cooperation and support of the Group of 77 and China.

Mr. Chairman,

As was recognised in the review at CSDXII the three issues of "water, sanitation and human settlements were strongly interrelated and should be addressed in an integrated fashion." Success in these areas is also critical to the goal of poverty eradication, one of the key Millennium Development Goals. I will, therefore confine this initial statement to some of the overarching, cross-cutting issues of policy critical to achieving the goals in all three areas. I will offer more specific comments later in the discussion on each issue. Here I make seven general points.

First, the G-77 and China remains committed to achieving the targets established in these three areas in the Johannesburg Plan of Implementation (JPOI). The Developing Countries have been making best efforts to meet their obligations. The experience in implementation, however, suggests that the achievement of these goals will be a challenge for many Developing Countries, in particular the Less Developed Countries. We therefore cannot support any proposal to renegotiate or set new targets in these areas as this will divert both attention and resources. We should remain focussed at this policy session to "take policy decisions on practical measures and options to expedite implementation" in these three thematic areas. We have identified in the review session, in reports from the Secretary-General to CSD XII and XIII and from the Millennium Project, a range of areas in which implementation needs to be expedited. More fundamentally, we have identified that a number of developing countries are in danger of not meeting the current targets. The policies and measures we adopt must be to assist them to achieve these targets.

Second, Mr. Chairman, the inter-relatedness of the issues requires, in many cases, new and more integrative approaches to Planning and Development as pointed out in paragraph 76 of the Secretary-General's Report on Human Settlements. The opportunity to prioritise among these goals, or between rural and urban areas, as implied in the individual reports by the Secretary-General is limited. All three areas have to be addressed in a balanced manner based on national realities. Developing Countries are therefore challenged to mobilise, simultaneously, the financial and technical resources to address these three areas plus other Millennium Development Goals and to provide critical support including infrastructure. Estimates of the financial requirements vary. The Review Session Report estimated the requirements for water and sanitation at \$33 billion per year and municipal waste water treatment at \$50 billion per year. Whatever the actual figure, the general consensus, supported by the discussions in CSDXII and the Millennium Project report, is that developing countries cannot meet these investments targets from internal resources. They need the strong support from the international community.

Mr. Chairman,

The mobilisation of resources within the developing countries, especially for these basic services, is constrained by the generally low levels of income and the explicit condition in the Johannesburg Plan of Implementation that, cost recovery should not become a barrier to access to safe water by the poor. In any event the demand on the target population is cumulative - the same householders would be asked to meet the cost for water, sanitation services and housing. A challenge to the Developing Countries therefore is how to provide continuous access for persons with limited or irregular incomes? The G-77 and China notes the references in the Secretary-General's Reports to the need for targeted subsidies and the recommendation that Governments use the opportunity of the projects to procure local materials and provide employment to local people as means of stimulating growth. Policies at the international level which are currently contrary to this approach, must change to allow for coherency and support to these actions.

Third, Mr. Chairman, while there are many commonalities in the challenges confronting Developing Countries in

these three areas, there are also significant differences in culture, experiences, capacities, nature and relative importance of the three areas of challenge. There is therefore no single set of policies which can apply in all cases. Countries will need flexibility to pursue the approaches most suited to local conditions. This point has been made in the Secretary-General's Report, the Millennium Project Report and in other documents. It must be given due attention as CSD XIII recommends policies for implementation on the way ahead.

Fourth, the issues of Human Settlements, Water and Sanitation and the proposed solutions will impact individuals and large cross sections of society very fundamentally. There is therefore need for involvement and for partnerships - between Government and relevant stakeholders. The relative roles of the different partners in Planning and Policy Formulation, in Implementation and in Monitoring need to be determined in accordance with national circumstances. A strong inference in the three reports to this meeting by the Secretary-General is that the role of the Government should be circumscribed mainly to Planning and Policy and Monitoring. The statement in the Human Settlements Report that "housing is not a public good" might have contributed to this proposed approach. The G-77 and China cannot agree that basic housing is not a public good. The negative consequences of slum dwelling affect all in society.

The Group of 77 and China is of the view that while the main role of the private sector is in implementation, however given the level of development of the domestic private sectors at this time and the low level of income in many Developing Countries, the public sector has a major role to play in implementation in these areas if the targets are to be met.

Fifth, Mr. Chairman, there are some critical cross-cutting issues which constrain implementation in all three areas. These include the need for financial resources, the transfer of technology, capacity-building, public awareness raising and the need to reduce poverty. As we stated earlier the aggregated financial need is much more than can be mobilised domestically. This takes us to the issues of ODA and foreign direct investment. The Secretary-General in paragraph 80 of the report on Human Settlements, points out that "increasing ODA to the levels needed to improve Housing and Urban Services to the poor... remains an essential and continuing challenge". The Millennium Project report speaking more generally has concluded that "public investments cannot be scaled up without greatly increased official development assistance". The Millennium Project report has also made clear that while Foreign Direct Investment is important Foreign Investors are only likely to go where basic infrastructure and support systems are already in place.

With respect to technology there are many examples of good technological solutions which can help in addressing the problems in the three areas. Many of these technologies are in Developing Countries which are willing to share with others. There is often however a need to facilitate such transfers especially where there is a foreign exchange cost. The Technical Cooperation among Developing Countries (TCDC) facility in UNDP could be given more resources and strengthened to assist in this area.

Mr. Chairman, human and institutional capacity building and public awareness raising in a variety of areas and at different levels are central to the implementation of all MDGs. Policies and measures to assist developing countries in these two broad areas will be needed. Assistance should be programmatic and should not seek to make a distinction between capital and recurrent expenditure.

Widespread and persistent poverty is a fundamental constraint to the achievement of the targets in the three sectors in both urban and rural areas. Policies and measures to break the cycle of poverty will be pivotal to progress in implementation.

Mr. Chairman,

This takes me to my sixth point - National Financial Capacity. High unemployment, low and unpredictable incomes and declining prices for their exports are among the many constraints to the accumulation of financial resources in Developing Countries. Further, external debt servicing pre-empts a significant proportion of the resources available to many developing countries. Transparent domestic policies and coherent and consistent international policies are critical to the gradual build-up of the national financial capacity. Proposals for policy actions and measures must therefore extend beyond Governments and the United Nations bodies to include international policy making bodies in finance and trade.

Finally Mr. Chairman, the G-77 and China wishes to emphasise that relatively low and sluggish commodity prices on which so many Developing Countries depend; the high levels and persistence of poverty and diseases such as HIV/AIDS, particularly in Africa, and the increasing frequency and scale of Natural Disasters, particularly in developing countries, imply not only a reduction in capacity but also means that much of the investment in human

settlements, including the infrastructural facilities for water and sanitation will be for replacement rather, than for addition to the stock of facilities. These factors must be taken into account as we project the resources needed to achieve the objectives.

Mr. Chairman,

The above are issues which policies must address at the systemic level even as we propose specific sectoral policy actions to facilitate implementation to meet the targets for Human settlements, Water and Sanitation.

I thank you, Mr. Chairman.

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