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Statement by MR. JOMO KWAME SUNDARAM ASSISTANT-SECRETARY-GENERAL FOR ECONOMIC DEVELOPMENT AT THE GLOBAL PREPARATORY MEETING FOR THE 2009 ECOSOC ANNUAL MINISTERIAL REVIEW <u>New York, 31 March 2009</u>

Madam President, Excellencies, Distinguished colleagues, Ladies and gentlemen,

It is my pleasure to join you for this meeting, an important step on the road to ECOSOC's Annual Ministerial Review in Geneva in July, focused on the global public health agenda.

We gather in the midst of the most severe financial crisis and economic downturn since the Great Depression, which has begun to take a tremendous toll. At the same time, we are determined to accelerate progress on the global agenda to halve poverty, reduce child mortality, improve maternal health, combat HIV/AIDS, malaria and other diseases, advance gender equality and women's empowerment, promote environmental sustainability and build a truly global partnership for development.

During the last half decade, helped by a period of sustained economic growth, countries made significant progress in achieving the Millennium Development Goals (MDGs) and millions have been enabled to lift themselves out of poverty.

It is deeply unsettling to see the global financial and economic crises reversing this hard-earned progress in developing countries.

The persistence of armed conflict – a formidable obstacle to development – is equally distressing. Indeed, of the countries farthest from achieving the health-related MDGs, 22 are in or emerging from conflict. And 9 of the 10 countries with the highest infant and child mortality rate have experienced conflict in recent years.

The decision of the Council to focus on the implications of the global financial crisis on public health and on healthcare in conflict situations is thus fitting. It suggests to me that the Council is intent on tackling the two major challenges to accelerating progress towards the international public health goals.

Ladies and gentlemen,

Both sustained economic growth and a near doubling of health aid from public and private sources between 2000 and 2006 have helped countries make headway towards achievement of the health-related MDGs.

We have made substantial progress in the fight against HIV/AIDS and malaria. Owing to improvements in prevention programmes and the expansion of antiretroviral treatment, both the number of people newly infected with HIV, and the number of people who die from AIDS have started to decline. And where prevention programmes and access to more effective antimalarial drugs have been expanded, there has been substantial reduction of malaria cases and deaths.

Prevalence of child malnutrition has declined. But recent food and economic crises threaten the limited gains, and a child in the developing world is 13 times more likely to die before reaching age 5 years than a child in a developed country. Easily preventable diseases – such as pneumonia, diarrhoea, malaria and measles – remain the leading cause of childhood death. We can and must do better.

Tragically, very little progress has been made on maternal health. In fact, among all the MDGs, improving maternal health is the goal towards which we have made the least progress. Every year, more than half a million mothers around the world die during childbirth or in the six weeks after delivery. 99% of these deaths occur in developing countries. This is a crisis that demands urgent attention and action.

We will soon hear from Professor Rosling a detailed assessment of how we are doing on the international goals on global public health today, and how to transform our mixed record on the health-related MDGs into a solid record of success.

Ladies and gentlemen,

The financial and economic crises will put pressure on health ministries to cut expenditure, making it more difficult to retain the right balance of essential curative services and preventive public health programmes.

The most vulnerable groups and countries will be the most negatively affected. Developing countries with limited fiscal resources, weak institutions and poor infrastructure are particularly vulnerable, as their health budgets are under serious pressure at a time when demand for public health services is on the increase.

At the same time, countries are experiencing reductions in remittances from overseas and a return of their workers. In many countries, foreign direct investment has already declined dramatically. International trade has begun to shrink significantly. This contraction mainly reflects reduced demand from developed countries and adversely affects commodity prices, output, jobs, incomes, tax revenue and governments' fiscal and policy space.

While the recent record is mixed, and hence inconclusive, ODA for health has tended to fall during times of recession, usually with disastrous effects. We must learn from past mistakes and try to avoid repeating them. This was also a key message from the AMR regional consultations held in Sri Lanka earlier this month.

Statements by many high-level officials promising to maintain their aid commitments irrespective of the current financial crisis, are therefore encouraging. The current crisis should give impetus to efforts to increase the efficiency of health service provision.

Aid can be made more effective by ensuring that the recipient country is in the driver's seat, and that aid is more predictable and better aligned with country priorities. This is particularly the case for countries whose resource channels for health financing have multiplied in recent years.

But efforts to ensure better health aid delivery must not end here. Much more can also be achieved by working more closely with other partners such as foundations, research centres and academic and civil society and private sector. This was also a key message of this year's ECOSOC philanthropy event on global public health.

Ultimately, however, progress towards improving health indicators, including achieving the health-related MDGs, will depend on public health provisioning, and hence political will and public health resources. The international community can also help by reducing unnecessary transactions costs as well as the costs of medicines due to strengthened corporate intellectual property rights. There is also an urgent need to ensure sustainable development by limiting financial instability and macroeconomic procyclicality while enhancing international tax cooperation to ensure greater fiscal resources and national policy space.

Ladies and gentlemen,

The interconnection between health conditions on the one hand and political instability and violence on the other hand is well documented. Statistical indicators of child health provide a sensitive barometer for measuring the impact of conflict on human well-being, as most countries with child mortality rates that have stagnated or worsened have experienced conflict over the last 20 years.

The most devastating consequences of conflict occur in the long term, as a consequence of the weakening or even collapse of health care systems during periods of war and instability. Reaching development goals in post-conflict situations becomes even more difficult and calls for extra support from the international community. The successful transition from emergency relief to development is therefore particularly important in the health sector if the international community wants to strengthen the social fabric in fragile communities.

Yet, health, while a key component of humanitarian assistance, does not receive the attention that it deserves for sustainable recovery after a crisis. Much more should therefore be done to define the role and place of health in the comprehensive approach to peace and stability which the international community, including this Council, has been advocating.

I look forward to our discussions on these issues. I am confident that this meeting will make a valuable contribution to ECOSOC's substantive session in July in Geneva.

Thank you for your kind attention.