

30 October 2003

**Statement of H.E. Mr. Julian Robert Hunte,
President of the 58th Session of the General Assembly,
at the High-level Dialogue on Financing for Development Informal
Interactive Plenary**

Afternoon Session

Our focus this afternoon is on increasing international financial and technical cooperation for development (foreign aid for short), external debt, and a range of systemic issues, including strengthening the contribution of the United Nations itself in what was presciently called "Staying engaged."

- I will begin with official development assistance. Serious consideration should be given to proposals to advance the near-term flow of aid, as the medium-term target dates, which some Governments in this room have set for themselves for increasing aid flows, such as 2006, are rapidly approaching. We already need more aid than has been pledged for delivery by 2006 and we will certainly need very considerable assistance after 2006 and up to 2015, the target year for the Millennium Development Goals, and even beyond. We have seen improvements in the management of aid at source and destination countries and we have begun to see a pragmatic willingness of donors to welcome the aid recipient view into the peer assessments of donor programmes. How can we strengthen such donor/recipient partnerships to make the aid process more effective? How can we convince donor legislators that aid is a good and improving investment to which they should contribute all that is possible?
- We need to confront the situation that heavily indebted poor countries face after they exit from their internationally supported debt-restructuring process. Post-relief poor countries still have highly fragile economies and are generally not equipped to weather many economic shocks. It has been suggested that assistance for such countries be essentially in the form of grants instead of loans, even concessional ones. In this light, does the international community's debt relief process need further strengthening and if so how? What are the implications of the very limited debt-servicing capacity of post-"HIPC"s for the next replenishment of the International Development Association, the concessional lending arm of the World Bank, and similarly for the regional banks?
- Can the United Nations, with its open and multi-stakeholder possibilities, such as were successfully used to design the Monterrey Consensus, also be useful in consideration of debt policies? The specific question is whether an informal "study group" might be formed under the Financing for Development umbrella to seek innovative proposals and discover in which ones interest might grow to a point of political consensus, on and appropriate international debt work-out mechanism.

- It is also proposed that the United Nations should be a more effective forum for discussion of international tax matters and that this could be accomplished by upgrading the existing UN Ad Hoc Group of Experts on International Cooperation in Tax Matters. Members of this group serve in their personal capacity and the proposal is that the members of an upgraded group should serve as governmental experts or that the existing group be converted into a new commission under the Economic and Social Council. What is our view on this proposal? Is this addressing a gap in the international financial architecture that the United Nations can help fill? Should we look into this proposal more intently?

- Finally, I want to draw your attention to the fact that we as the United Nations General Assembly must act on a number of proposals, including some of those in the Secretary-General's report. The ones to which I have already referred would affect the future work of the United Nations. In addition, we will have to plan more precisely and more effectively how to carry out the future work on Financing for Development. How do we ensure that we can "stay engaged" at the intergovernmental level in the periods between the biennial High-Level Dialogues and the annual ECOSOC/Bretton Woods/WTO meetings? Should we set up a special committee to look into that? Some proposals in this regard have been made to make the process work more effectively. We must respond to these proposals. If we reject them, we must have others to replace them. We must have a more effective process, one that can maintain the momentum of Monterrey and hold the confidence of all our partners in the process.

All in all, excellencies and ladies and gentlemen, I believe there is a widely felt imperative for more effective, coherent and democratic global economic governance. As we heard in the hearings with civil society the day before yesterday, this is clearly linked with the arrangements we put in place to keep alive and "stay engaged" in the Financing for Development process. At some point later this afternoon, I will give the floor to Mr. Roberto Bis-sio, Director of the In-sti-tu-to del Ter-cer Mun-do, to give us a brief report about the hearings.