30 October 2003

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

Excellencies, Mr Secretary General, Distinguished Delegates, Ladies and Gentlemen:

The Monterrey Consensus, adopted by the International Conference on Financing for Development, reflects the critical decisions we took, at the highest political level, "to address the challenges of financing for development around the world, particularly in developing countries." It also includes the objectives we set for this purpose.

Monterrey's distinctive approach of bringing together all parties involved in the financing for development process has made it possible for key cross-sectional issues on trade, finance and development to be addressed comprehensively. The Consensus has thus been widely acclaimed as a new and workable approach to development finance, and an important framework to guide our common efforts at the national, regional, international and systemic levels in this critical area. This accounts for the commitments made and priority pledged for implementation of the courses of action of the Consensus.

At Monterrey, we ensured that implementation and follow-up of such a key document as the Consensus would not be left to chance. We now begin our biennial process of assessment and forward planning in the area of financing for development at this two-day High-level Dialogue. Our theme, "The Monterrey Consensus: status of implementation and tasks ahead" gives us clear direction on what is expected of us.

We have worked well in this follow-up process. Reports are that all of yesterday's Ministerial Roundtables dealt forthrightly, frankly and effectively with the issues at hand. I commend all the Roundtable participants. Civil Society and Business Sector Panels, on 27 October, also had productive sessions. No doubt these prior deliberations will inform our discussions here today.

I believe that pragmatism but now inform our high-level segment, so that we may realistically assess both the progress we have made and the urgency with which we must proceed with the tasks ahead. By any yardstick, our assessment report is a mixed one. On the positive, and I must say, commendable side, we saw an increase of some 4.8% in development assistance immediately following Monterrey. Some donor countries have reached the United Nations ODA goal of 0.7%, and have committed to reaching 1% during the period 2005 - 2006. Others have set time frames, for example, 2012, to reach 0.7%. The European Union has decided to collectively raise ODA levels to 0.39% of GNI by 2006, as a first step towards the 0.7% United Nations goal. There are also promising signs that other countries may increase their ODA, but may still fall short of the 0.7% target. It is interesting to note, in this regard, that it is among the same group of countries that usually fund development activities that pledges are being made for significant increases in ODA.

There are nascent, and encouraging signs pointing towards the resolution of the debt crisis, with ideas such as a "comprehensive, statutory approach to restructuring the external debt of governments" and the use of collective action clauses now being discussed.

For their part, many developing countries and countries with economies in transition are working towards the creation of an enabling environment at the national level, by strengthening economic governance and enhancing democratic participation, as called for in the Monterrey Consensus.

Overall, however, the other side of our report card has not been encouraging. Net private financial flows to a significant number of developing countries have declined or are negative. There is little change in respect challenges such as lack of market access, special and differential treatment, debt, the deteriorating situation of commodity dependent countries protectionism and agricultural subsidies and lack of participation of developing countries in the decision making of international financial institutions. Further, much more needs to be done to reach the additional $50 billion needed in ODA annually to meet the Millennium Development Goals (MDGS). The failure of make tangible progress in trade relations at Cancun put us no closer to our quest for a level playing field, and enhanced opportunities for developing countries.

In some instances, special circumstances have hampered progress in meeting the objectives of the Monterrey Consensus. Civil strife and military conflict, for example, is hindering development in a number of the most vulnerable countries and populations. Basic health care also remains alarmingly inadequate in a large number of countries.

In this High-level segment of our Dialogue, we should openly and frankly discuss all the issues that present a challenge to the successful implementation of commitments and agreements reached at Monterrey be they at the national, international or systemic levels. If we are to effectively use it, we must be forthright in asking ourselves pertinent questions, in order to arrive at pertinent responses.

Is the United Nations system, for example, positioned to adequately impact the development funding process? Have sufficient steps been taken towards improving coherency and efficiency amongst donor agencies? Regarding partnerships, have a sufficient effort been made to engage civil society and the private sector both nationally and internationally? And in respect of the General Assembly and the Economic and Social Council - what should be their role in tracking progress made, and proposing further steps for implementing the commitments and agreements made at Monterrey?

I pose these questions because I believe that the answers bear centrally on our tasks ahead. I also pose them in the hope of that they will assist us in identifying some of the pertinent issues we must take up and address in our interactive discourse, so that we may move decisively forward, and effectively implement the Monterrey Consensus.

I thank you.