



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY H.E. HORACIO SEVILLA BORJA, PERMANENT REPRESENTATIVE OF ECUADOR TO THE UNITED NATIONS, AT THE 2017 GLOBAL INFRASTRUCTURE FORUM (Washington, DC, 22 April 2017)

Excellencies, distinguished panelists,

I have the honor to deliver this statement on behalf of the Group of 77 and China.

The Group wishes to thank the Inter-American Development Bank, the European Investment Bank, and the multilateral development banks for the invitation for the Group of 77 and China to speak during this important event.

The Group welcomes the emphasis, by the organizers of this Forum, on "delivering inclusive and sustainable infrastructure", taking into account that infrastructure is a powerful driver of economic growth and contributes to economic, social and environmental development,

We restate our concern over the fact that more than 1.2 billion people in our world still have no access to electricity; About 783 million people lack access to clean water; 2.4 billion do not have adequate sanitation; 2.8 billion people still cook their food with solid fuels; one billion people live more than two kilometers from an all-weather road.

Excellencies, distinguished panelists,

Developing countries are the most affected by lack of sustainable and resilient infrastructure, while facing serious financing challenges due to insufficient access to resources, both from the public and private sector, resulting in a wider global infrastructure gap. To bridge this gap, including the US\$1 trillion to US\$1.5 trillion annual gap in developing countries, the leading role of multilateral development banks is critical to provide financing resources by means of enhancing access to and improving quality of infrastructure services which are environmentally, socially and economically sustainable.

The Group restates that international development cooperation, especially North-South cooperation remains a fundamental catalyst to sustainable economic growth. We urge developed countries to urgently fulfill their unmet Official Development Assistance commitments. In the same vein, and underscoring the increasing recognition of the central role of tax systems in development, we reiterate our concern over illicit financial flows and related tax avoidance and evasion, corruption and money -laundering, with negative impacts for the world economy, in particular for developing countries. G77 and China also stresses the importance of eliminating safe havens that create incentives for the transfer abroad of stolen assets and illicit financial flows and the importance of scaling up international tax cooperation and combating illicit financial flows in order to mobilize domestic resources for inclusive and sustainable infrastructure.

The Group also recognizes the important contribution that private investment can make to sustainable development, particularly in infrastructure, through tools and mechanisms such as public-private partnerships. In this regard, we acknowledge that impediments to private investment in infrastructure exist on both the supply and demand side. Insufficient investment is due in part to inadequate infrastructure plans and an insufficient number of well-prepared investable projects,

along with private sector incentive structures that are not necessarily appropriate for investing in many long-term projects, and risk perceptions of investors. We further call for enhanced roles of the multilateral development banks to provide the soft infrastructure through technical support and capacity building programs. This calls for the strengthening and increased state-private sector risk alignment of mechanism such as the Multilateral Investment Guarantee Agency (MIGA) and development of more context-responsive investment risk assessment and guarantee mechanisms.

Noting that developing countries, in particular six categories that require special attention: least developed countries, African countries, small island developing States, landlocked developing countries, countries and peoples under colonial and foreign occupation, and middle-income countries facing specific challenges, are the most affected by lack of adequate infrastructure and disaster risk particularly in terms of sustainable and resilient infrastructure, in view of their higher vulnerability and risk levels which often greatly exceed the capacity to respond to and recover from disasters. In this regard we also encourage this Forum to identify and address infrastructure needs and capacity gaps to enhance preparedness in countries affected by the El Niño/ La Niña phenomenon.

In conclusion, G77 and China wishes to reiterate that, in order to enhance coordination between this Forum and the UN System, the reporting mechanism of the Forum to the annual ECOSOC Forum of Financing for Development follow-up needs to be strengthened. Lastly, we are looking forward to an annual exchange of ideas to improve alignment and coordination among multilateral and national development banks, United Nations agencies, national institutions, development partners and the private sector.

I thank you.

