



**STATEMENT BY MR. LARBI DJACTA, MINISTER COUNSELOR,
PERMANENT MISSION OF ALGERIA TO THE UNITED NATIONS, ON
AGENDA ITEM 19, FOLLOW-UP TO AND IMPLEMENTATION OF THE
OUTCOME OF THE 2002 INTERNATIONAL CONFERENCE ON FINANCING
FOR DEVELOPMENT AND THE 2008 REVIEW CONFERENCE, AT THE
SECOND COMMITTEE OF THE 67TH SESSION OF THE UNITED NATIONS
GENERAL ASSEMBLY (New York, 22 October 2012)**

Mr. Chairman,

I have the honour to make this statement on behalf of the Group of 77 and China.

1. I would like to thank, the Secretary-General for his reports and the important information, conclusions and concerns he puts forward to help us in our debate.
2. The Group of 77 and China shares the concern expressed in the SG report, A/67/339, on the Follow-up and implementation of the Monterrey Consensus and Doha Declaration on Financing for Development, stating a global decrease of core bilateral projects and programmes.
3. The Group of 77 and China echoes the report when it raises the concern about the reduction in ODA budgets of 16 Development Assistance Committee donors, especially, when that includes four of the largest donors. We are further worried by seeing a double digit cuts in the ODA of some donors countries.
4. On the modalities of financing for development follow-up process (SG Report A/67/353), especially, the options for strengthening FFD intergovernmental follow-up, the Group, stresses, once again, the importance of establishing an appropriate follow-up mechanism within the United Nations system to bridge the gap between policy making and implementation of commitments, particularly through the establishment of a Financing for Development Commission as a subsidiary body of ECOSOC.
5. The Group recognizes, also, that innovative mechanisms of financing can make a positive contribution in assisting developing countries to mobilize additional resources for development on a stable, predictable and voluntary basis. We reiterate that such financing should be disbursed in accordance with the priorities of developing countries, should not unduly burden them, and should neither substitute nor negatively affect the level of traditional sources of development financing, including ODA.

Mr. Chairman,

6. We reaffirm that the global financial and economic crisis cannot be an excuse to avoid fulfilling existing aid commitments by developed countries and to make further commitments.
7. In his report, the Secretary General, states that developed countries are still far from achieving the longstanding goal of mobilizing 0.7% of GNP in ODA to developing countries, including the target of 0.15 - 0.20 per cent of ODA to the LDCs. In order to meet agreed commitments and targets made, inter alia, in the United Nations Millennium Declaration, in the Monterrey Consensus, at the 2005 World Summit Outcome, at the G8 summit in Gleneagles, in the Doha Declaration for Financing for Development and in other relevant forums, the Group calls the developed countries to

scale-up their existing bilateral and multilateral ODA and to establish clear and transparent timetables within their national budget allocation processes to reach the level of 0.7 per cent for ODA to developing countries, including the target of 0.15 - 0.20 per cent of ODA to the LDCs by 2015 at the latest.

8. The Group considers that the absence of an efficient and fair debt restructuring mechanism hinders in many ways the efforts made by our countries in the path of development.

Mr. Chairman,

9. The Group expresses also its deep concern over the threatening current systemic problems, including turbulence in the global financial markets and widespread fiscal strains, and of future possible impacts on developing countries of the current sovereign debt crises in Europe which is costly and disruptive, including for employment and productive investment, as we observed is being followed by cuts in public spending, including on health and education.

10. The reform of the global financial architecture is an unfinished business, and work in this area must be intensified. There are still major and unfulfilled objectives, including the provision of development financing on a predictable manner to developing countries, the provision of funds to meet the urgent needs of developing countries arising from the effects of the crisis.

11. The G77 and China reiterates the central role played by the United Nations as a focal point for the financing for development follow-up process and the need to maintain that role to ensure the continuity and dynamism of the process, while reaffirming the need to further intensify the engagement of all stakeholders, including the World Bank, the International Monetary Fund and the World Trade Organization, in the follow-up and implementation of the commitments made at Monterrey and Doha.

12. In this regard, the G77 and China stresses again the need for a substantive and comprehensive reform of the international economic and financial system and architecture, including mandates, scope and governance of the Bretton Woods Institutions (BWIs). The reforms must reflect current realities and ensure full voice and participation of developing countries, in the decision making and norm-setting process of the BWIs, in order to address the democratic deficit of these institutions. As we have already stated, we believe that the heads and senior leadership of the international financial institution, particularly the Bretton Woods Institutions, should be appointed through open, transparent and merit-based selection processes, with due regard to gender equality and geographical and regional representation.

Mr. Chairman,

13. The Group welcomes the substantive discussions of the High-level Dialogue on Financing for Development of the General Assembly and the special high-level meeting of the Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development, held in New York respectively on December 2011 and March 2012, and emphasizes that those discussions are an integral and mutually reinforcing part of the financing for development follow-up process.

14. The Group welcomes, particularly the proposal made by the President of the Council on the establishment of a joint group consisting of the Council Bureau and Representatives from UNCTAD, WTO and BWIs.

15. The Group of 77 and China recalls the decision of the General Assembly to consider the need

to hold a follow-up financing for development conference by 2013, and in this regard also recalls the decision of the Assembly to hold informal consultations with a view to taking a final decision on the need for such a conference by 2013, and looks forward to the successful conclusion of these consultations.

Mr. Chairman,

16. Let me recall that the Monterrey Conference of 2002 is clearly an important success of the United Nations in development matters. The Group of 77 and China believes that the Economic and Social Council should continue to strengthen its role in promoting coherence, coordination and cooperation in the implementation of the Monterrey Consensus and the Doha Declaration and as a forum for multi-stakeholder involvement agenda of the financing for development process.

17. In conclusion, the Group of 77 and China reaffirms the importance of staying fully engaged, nationally, regionally and internationally, in ensuring proper and effective follow-up to the implementation of the Monterrey Consensus of the International Conference on Financing for Development, as reaffirmed in the Doha Declaration and of continuing unremitting efforts to build bridges between all relevant stakeholders within the holistic agenda of the financing for development process.

I thank you.