



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY H.E. AMBASSADOR KINGSLEY J.N. MAMABOLO, PERMANENT REPRESENTATIVE OF THE REPUBLIC OF SOUTH AFRICA TO THE UNITED NATIONS, CHAIR OF THE GROUP OF 77, AT THE HIGH LEVEL THEMATIC DEBATE ON MEANS OF IMPLEMENTATION FOR A TRANSFORMATIVE POST-2015 DEVELOPMENT AGENDA (New York, 9 February 2015)**

Mr President,

At the outset let me express my appreciation to you for inviting us to participate on this High Level Thematic Debate on the Means of Implementation for a Transformative Post-2015 Development Agenda. It is timely indeed as Member States are currently grappling with finding linkages between this track and the Financing for Development process. Achieving a truly transformative post-2015 UN development agenda will require a comprehensive framework for the Means of Implementation, including financing.

Mr President,

In your background note for this Thematic Debate, you indicated that the Post-2015 Development Agenda is an ambitious agenda which should be matched with scaled-up resources. The Group of 77 and China concurs with you and underscores the importance of retaining the Monterrey Consensus and Doha Declaration in their entirety. This is because their holistic approaches encompass not only financial resources and technology transfer, but also the much-needed structural reform of the international financial and trade systems.

Mr President,

The Group of 77 and China views the Monterrey Consensus of the International Conference on Financing for Development as a conceptual framework to both tracks. On the one hand it addresses the challenges of financing for development in the spirit of global partnership. On the other hand it supports the achievement of internationally agreed development goals with the eradication of poverty as their overarching objectives. The Rio Principle of Common but Differentiated Responsibilities applies equally to the Post-2015 development agenda as it does to the provision of the Means of Implementation, including Financing for Development.

Scaled-up resources in our understanding, is a reminder to our Partners of their existing pledges and commitments especially the ODA commitments they have made, individually and collectively, including the target of allocating 0.7 per cent of their gross national product to ODA by 2015. This also relates to the target of allocating between 0.15 and 0.20 per cent of their gross national product to ODA for least developed countries. We are also mindful of the fact that the target of 0.7% of GNI in ODA may be out-dated, and therefore, may need to be "scaled-up" as argued by the President in his background note. In this latter regard, there are many developing countries that still depend on this critical source to finance their development. ODA, as traditionally defined, will always remain necessary for leveraging and sustaining financing for development in many developing countries.

As we accelerate the efforts to implement the MDGs until the end of this year, development partners must commit themselves to allocate the carry-over of ODA that has not been fulfilled since

Monterrey, as a matter of priority, to those post-2015 development goals that are more closely related to the MDGs. Pre-2015 ODA resources that have not been disbursed as past commitments, must be accounted separately in the post-2015 scenario. We must also put in place adequate accountability frameworks within the UN System that ensure these commitments will be monitored and timely fulfilled.

Mr President,

In this context of the Thematic Debate, strengthening domestic resource mobilization, constitutes the primary and sovereign responsibility of Member States and must thus be fully aligned with their national policies and priorities. International support to developing countries can play a key role in improving their domestic capacity for revenue collection. Unlike aid, such international support and cooperation for domestic resource mobilization must be provided without conditionalities. Strengthened levels of domestic mobilization of resources provide new and additional sources of financing that constitute a supplement and not a substitute for ODA and other traditional sources of financing. It assists developing countries to mobilize additional resources for financing for development, including ODA. Successful domestic resource mobilisation in developing countries relies on strong partnerships with enhanced institutional capacity building, technology transfer and the added support for ODA.

It should be noted that South-South cooperation is derived from the solidarity among peoples and countries of the South and contributes to their national well-being, their collective self-reliance and the attainment of internationally agreed development goals. On the road to Addis Ababa, South-South cooperation must be further strengthened as a complement to and not a substitute for North-South cooperation. This is with a view to help countries achieve internationally agreed development goals. South-South cooperation initiatives must continue abiding by the Nairobi Declaration of 2009, guided by the principles of respect for national sovereignty, national ownership and independence, equality, non-conditionality, non-interference in domestic affairs and mutual benefit.

As recently requested by the General Assembly, through resolution 69/239, South-South cooperation must be further mainstreamed within the United Nations development system, including through the up-scaling of the UN Office for South-South Cooperation (UNOSSC) with additional human, financial and budgetary resources. We look forward to discussing the Secretary-General's proposal in this regard, during the next meeting of the High Level Committee on South-South Cooperation, in May of this year. Under the auspices and global network of offices of the UNDP, UNOSSC will be better positioned to overview the implementation of South-South cooperation, especially through the on-going implementation of an inter-agency coordination mechanism under the UN Development Group.

Mr President,

The Group of 77 and China would like to reiterate the importance of implementing measures to curtail illicit financial flows at all levels, enhance disclosure practices and promote transparency in financial information. The means of Implementation can never be realized if strengthened national and multinational efforts to address this issue are constantly ignored. This also calls for support and technical assistance to developing countries in enhancing their capacities.

The Group of 77 and China reaffirms that international trade is not only an engine for development and sustained economic growth but can galvanize the necessary means of implementation for development. Accordingly, advancing a more development-friendly multilateral trading system in the context of a universal, rules-based, open, non-discriminatory and equitable multilateral trading

system is critical. This also includes meaningful trade liberalization, stimulating economic growth and development worldwide, thereby benefiting all countries at all stages of development, as they advance towards sustainable development. In this context, the Group of 77 and China remains focused on achieving progress in addressing a set of important issues, such as, inter alia, trade-distorting subsidies and trade in environmental goods and services. Elimination of export subsidies in agriculture, in particular, is a critical and an urgent measure to maximize developing countries', especially those in special situations for comparative advantages as a means to mobilize additional resources for financing their development.

Foreign direct investment is a major source of financing for development. The Group of 77 and China calls upon developed countries to continue to devise source-country measures to encourage and facilitate the flow of foreign direct investment, inter alia, through the provision of lending instruments, risk guarantees and business development services

The Group of 77 and China stresses the need for international financial institutions, within their respective mandates, to continue providing financial resources, including through specific mechanisms for the promotion of sustainable development and poverty eradication in developing countries. It is the Group's belief that the international community should urgently address systemic fragilities and imbalances inherent in the international financial institutions. This will alleviate the challenges associated with structural problems of financial instability and unavailability of liquidity for developing countries for their sustained growth and development. Efforts to adopt the agreed reforms of 2010 and continue pushing forward for future ones on the global financial architecture should therefore be seriously made. This we believe will lead to the much needed strengthened representation of developing countries at higher levels of legitimacy and effectiveness in the decision-making and norm-setting processes of the International Financial Institutions.

Mr President,

The huge problems associated with debt of developing countries will diminish the financial means of implementation. The maintenance of sustainable sovereign debt is not only fundamental for a country's capacity to finance national development strategies but is also central to ensuring a stable macroeconomic environment conducive for sustainable development. The Group of 77 and China stresses the need to assist developing countries in ensuring long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring for the realization of an ambitious a transformative Post-2015 development agenda.

In this regard, the Group of 77 and China expresses deep concern about vulture fund litigations. Debt-restructuring processes and debt sustainability itself are at present facing serious risks, related to the actions of speculators endeavoring to gain excess profits from countries facing excessive debt obligations and repayment processes, thereby placing them in vulnerable situations. The Group of 77 and China believes that a viable way must be found to prevent vulture funds from paralysing the debt-restructuring efforts of developing countries.

The means of implementation for sustainable development calls for the strengthening of technical and scientific cooperation. The importance of human resource development, including training, the exchange of experiences and expertise, knowledge and technology transfer and technical assistance for capacity-building, which involves strengthening institutional capacity, in its regulatory, planning, management and monitoring dimensions, constitute the building blocks for the implementation of a transformative post-2015 development agenda.

As we embark on the process of sustainable development and look towards a transformative and

universal development agenda, technology plays a key role in addressing development challenges across a wide scope of cross-cutting sustainability dimensions. Developing countries rely heavily on technology in order to shift to a more sustainable development path. It is therefore imperative to bridge the technological divide between developed and developing countries, facilitate technology transfer on concessional and preferential terms and strengthen science, technology and innovation capacities.

Mr President,

In conclusion, the G77 and China wishes to stress the importance of fully respecting the development policy space of developing countries in addressing key issues related to means of implementation in the context of the Post-2015 development agenda.

I Thank You.