



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY H.E. DR. LUAL DANG, STATE MINISTER FOR FINANCE AND NATIONAL ECONOMY OF THE REPUBLIC OF THE SUDAN, AT THE EIGHTY-FIRST MEETING OF THE MINISTERS OF THE INTERGOVERNMENTAL GROUP OF TWENTY FOUR ON INTERNATIONAL MONETARY AFFAIRS AND DEVELOPMENT (Washington,DC, 24 April 2009)

Mr. Chairman,
Honorable Ministers,
Mr. Managing Director of IMF,
Mr. President of the World Bank,
Excellencies,
Ladies and Gentlemen,

1- At the outset, I would like, on behalf of the Group of 77 and China, to thank you for inviting me to address this important gathering of the G-24. I would also like to take this opportunity, Mr. Chairman, to acknowledge the important role of the Group of Twenty-Four under your able leadership in dealing with the Group's preoccupations and mandate.

2- I am privileged and honored to share the views and concerns of the Group of 77 and China on the ongoing global complex financial and economic scenarios. This Eighty-first Meeting of the Ministers of the Intergovernmental Group of Twenty-Four (G-24) on International Monetary Affairs and Development (G-24) is without a doubt an extremely well timed to address the current crises confronting the international community.

3- While we all recognize the necessity to urgently address the problems presented by the global financial and economic crisis, such a crisis should not be used under any circumstances as an excuse to slow down or not fulfill the obligations and commitments of our developed partners towards the developing countries. Wherever we turn these days, there is a meeting or a conference discussing the global economic and financial turmoil. In most countries leaders are taking decisions after decisions to bail out banks, to reconstruct their economies and restore the loss they have experienced these past months.

4- Our presence here today is part of the process of urgently finding ways and means to take concrete actions and bring solutions to the development needs of our countries. The crisis, which arises from regulatory and other institutional failures in the developed countries and in the international economic and financial systems, compels us to start the process for a more substantial and necessary reform of the International Financial Architecture in order to achieve a fair and more equitable international economic system. The global crisis has exposed major flaws in the international financial architecture as well as the need for overdue reforms in order to create a multilateral financial system with greater stability.

5- As we speak, developing countries are being hit hard and the shocks felt have reversed the gains of the last several years in growth and development. But the actual and future impact is affecting most severely marginalized, least developed countries as well as the most vulnerable countries which have gone through natural disasters or conflict situations. Many countries are experiencing significant slow-downs, and others have plunged into deep recession with bleak prospects for the near future. This has resulted in an increase in the number unemployment as well

as the number of people living in poverty, putting intolerable pressures on their political and social fabric.

Honorable Ministers,
Excellencies,
Ladies and Gentlemen,

6- The lack of adequate financial resources for development is the most debilitating constraint on development. We stress the urgency of addressing the various issues of financing for development more squarely with the aim of devising a comprehensive approach that revitalizes and reinforces international development cooperation. In this context, the impact of the current financial and economic crisis cannot be overemphasized:

- Many developing countries have suffered loss of export earnings from both manufactured exports and commodities, outward flow of capital from their countries and loss of services earnings such as tourism and migrants' remittances.
- Many developing countries are also threatened by the presence of protectionist barriers in trade as well as in finance in some of the anti-crisis measures taken by some developed countries.
- The trillions of dollars of subsidies, loans and equities injected into bailout packages has seriously altered the playing field in favour of companies and countries that can afford the bailout packages and against the developing countries that cannot afford such subsidies.
- Many developing countries are also vulnerable to falling foreign reserves which affect their ability to meet foreign payments.
- The crisis has also affected social development, leading to loss of jobs and difficulties of governments to finance social programmes that address poverty or provision of basic amenities which threatens the attainment of the Millennium Development Goals (MDGs).

7- In this connection, the United Nations system, including the Bretton Woods institutions and the World Trade Organization, should translate all commitments made at the major United Nations Conferences and Summits in the economic, social and related fields into action. We reiterate the need for enhancing the global partnership for development, and the necessity of strengthening international obligations, commitments and the full and timely implementation of commitments already made. We call for concerted multilateral action to achieve the internationally agreed development goals including the MDGs as a means towards solving economic and social problems and promoting peace and stability.

8- We must design appropriate macroeconomic policies as well as maintain a better coordination through transparent, coherent regulatory mechanisms for the financial markets and enhanced development financing. We need to agree on a cooperative global financial and monetary system that would ensure that the same rules apply to all parties. A more credible balance and approach is needed to ensure that the resulting global economic architecture will have legitimacy and confidence of the global community.

9- It is also critical for international financial institutions to establish adequate financial strategies for countries that are particularly vulnerable to economic crises, such as countries in Africa, Least Developed Countries (LDCs), Landlocked Developing Countries (LLDCs) and Small Island Developing States (SIDS). The G77 emphasizes the need for fundamental restructuring and upgrading of the international financial infrastructure, including the regulatory and supervisory frameworks, to facilitate a closer examination of potential systemic risks and crises and prevention of devastating consequences to developing countries.

10- In this context, we are encouraged with the ongoing preparations of the UN Conference on the World Financial Economic Crisis and its Impact on Development which is scheduled to take place in New York from 1st to 3rd June 2009. We believe that the United Nations Organization possesses the credibility and universality of membership to ensure the viability of a reformed international financial system. We express the hope that the conference will meet the expectations of the Group in adopting a holistic approach to development in order to create an enabling environment to address the development needs of our countries.

11- The Conference will provide a timely and valuable opportunity for the entire international community to undertake coordinated and collaborative actions and appropriate measures to mitigate the impact of the crisis on development, with particular emphasis on employment, trade, investment and development, including the achievement of the internationally agreed development goals and the Millennium Development Goals. The conference will emphasize the importance of the role of the United Nations and its Member States in the ongoing international discussions on reforming and strengthening the international financial and economic system and architecture, and stress the contributions of the United Nations development system in the response to the crisis. I would like to appeal for the participation of all your countries at the highest level in the above-mentioned Conference.

12- In conclusion, let me stress that the time has come for the G-24 as a chapter of the G-77 to play its role in contributing and positively addressing the economic and financial crisis of today in order for our peoples to reap the benefits of a globalized world and avert its negative manifestations. I wish all success to your deliberations.

I thank you.