



STATEMENT BY JAMAL NASSER AL-BADER, CHARGÉ D'AFFAIRES A.I., PERMANENT MISSION OF THE STATE OF QATAR TO THE UNITED NATIONS, ON BEHALF OF THE GROUP OF 77 AND CHINA, AT THE GENERAL DEBATE OF THE SECOND COMMITTEE (New York, 4 October 2004)

Mr. Chairman,

On behalf of the Group of 77 and China, I would like to congratulate you and other members of the Bureau on your election to the current session of the Second Committee. You and your colleagues on the Bureau bring a wealth of experience and first hand knowledge about the work of the Committee, which I am sure will lead to significant improvements in the functioning of the Committee and to a successful conclusion.

May I take this opportunity to thank your predecessor, Ambassador Iftekhhar Ahmad Chowdhury, who so ably led the Committee during the last session. He and other members of the Bureau have also made notable efforts in generating new ideas to make the work of this Committee more relevant and efficient. While commending their efforts, I would like to express our confidence in your stewardship and assure of the Group's full cooperation in your efforts to ensure a timely conclusion of the work of the Committee.

I would also like to thank the Under-Secretary-General for the Department of Economic and Social Affairs, Mr. Jose Antonio Ocampo for his insightful remarks regarding the world economic situation and the challenges of development.

Mr. Chairman,

While last year saw strong growth and a fast pace of economic recovery, economic trends this year are not as promising. The world economy has significantly decelerated in the middle of this year. This does not bode well for developing countries, which face formidable challenges. With these trends, it is very likely that a large majority of developing countries, particularly in Africa, will not be able to achieve the Millennium Development Goals in a timely manner.

In this connection, I would like to underline the importance of the New Partnership for Africa's Development (NEPAD), which embodies Africa's vision for achieving sustainable development. Studies so far indicate that most African countries may not achieve the MDGs without substantial support from the international community. Therefore, it is essential for development partners to intensify their efforts to address Africa's special challenges, and in particular, to deliver on the commitments and promises made to Africa.

The challenges of globalization coupled with slow economic growth pose serious problems for developing countries, which need to be addressed in a comprehensive manner. While adopting the Millennium Declaration, our leaders recognized that developing countries face special difficulties in responding to the challenges of globalization. They agreed that only through broad and sustained efforts to create a shared future, based upon our common humanity in all its diversity, can globalization be made fully inclusive and equitable. These efforts must include policies and measures, at the global level, which correspond to the needs of developing countries and are formulated and implemented with their effective participation. This was a unanimous call and it was agreed that an enabling environment will be created to promote development. I would like to highlight some of the areas that are central to the creation of such an environment.

First and foremost is the need to address the asymmetries of the global economic and financial system. The whole system has to be geared towards the realization of development goals. This requires a shift not only in the way these issues are considered at the global level but also greater participation of developing countries in decision making. The need for greater participation was recognized in the Monterrey Consensus but not much progress has been made towards this objective.

Secondly, ensuring financing for development is necessary. This issue involves lasting and durable solution of external debt burden, meeting the ODA commitments and development oriented FDI flows. While we appreciate the countries that have met the target of 0.7% of GNI as ODA and those who have undertaken measures to achieve it soon, it is a matter of concern that a number of developed countries have not made significant efforts to achieve this target. Lack of necessary resources to finance development is going to hamper the efforts of developing countries

even though they have met their side of the bargain made in Monterrey. We urge developed countries to fulfill their commitments.

In this context the Group of 77 and China would like to take this opportunity to convey its appreciation to the President of Brazil, the President of Chile, the President of France, the Prime Minister of Spain and the Secretary-General of the United Nations who have launched the initiative of "Action against Hunger and Poverty". We hope that this initiative would be a significant contribution to our efforts to achieve the Millennium Development goal dealing with poverty and hunger.

There is another important aspect of the follow-up to the Monterrey Consensus dealing with the International Cooperation on Tax matters. We believe that there is a need to strengthen the current arrangements for international cooperation in these areas and there is a need for developing a truly multilateral approach in dealing with these issues. We hope that the on-going discussions will lead to an outcome that is beneficial for all.

Thirdly, the importance of trade as an engine for economic growth cannot be overemphasized. Trade has the potential to become a major source of financing for the MDGs and other development goals. Yet, the current trade policies are not development-oriented, particularly in the areas of interest and comparative advantage to developing countries. There is a need for a multilateral trading system, which is truly open, equitable, rule-based, predictable, non-discriminatory and development-oriented.

The Doha Ministerial Declaration has placed the interests of developing countries at the center of the trade negotiations but not significant progress has been made in pursuing the Doha Work Programme. The recent understanding reached in Geneva on agricultural subsidies is a step in the right direction but it still falls far short of making the whole trading system a pro-development regime. Moreover, there is a need to develop the capacity of developing countries to enable them to effectively participate in trade negotiations and to safeguard their interests. Measures should also be taken to facilitate the accession of those countries that have applied for WTO membership.

The outcome of the UNCTAD XI Ministerial Meeting held in Sao Paulo, Brazil from 13 to 18 June 2004, draws specific attention to the shrinking policy space available to developing countries to pursue development objectives and elaborates policy responses required to ensure that globalization is responsive to and serves the development needs of the developing countries. It also reaffirms the role of UNCTAD as the focal point in the UN system for trade and development-related issues and calls for strengthening of the UNCTAD mandate to enable it to provide policy analysis and serve as a forum for consensus-building in other areas, including the area of corporate responsibility and new and dynamic sectors such as ICT and creative industries. We emphasize the importance of the agreements reached at UNCTAD XI to provide a positive impetus to the ongoing WTO negotiations in pursuance of the Doha Work Programme.

Fourthly, external debt continues to be a major drain on the resources of developing countries. According to the report of the Secretary-General, the total external debt of developing countries increased by almost 3% to 4%. The ratio of total debt to gross national income continued to worsen in Latin America and the Caribbean and North Africa and the Middle East. We have repeatedly called for a durable and lasting solution of the debt burden of developing countries but this has gone unheeded.

The progress in the implementation of the Heavily Indebted Poor Countries Initiative has also been slow. There are three main reasons for this slow progress. The eligible countries have to strike a balance between the objectives of achieving and maintaining debt sustainability, promoting long term growth and reducing poverty. Debt sustainability is also affected by vulnerability to external shock. A number of HIPC countries have suffered from shocks due to price collapses in principal export sectors, drought and other natural disasters. Special measures are required to address the countries that are devastated by natural disasters. Countries in situations of conflict or emerging from conflict also need some specific mechanisms to provide them a reprieve from the debt burden.

The financing of the HIPC Initiative is also an important issue. The HIPC Initiative was conceived on the basis that the debt relief provided would be a net addition to the total volume of the ODA. However, since the introduction of the original HIPC scheme in 1995, there has been a sharp fall in total net transfers of ODA compared to previous trends, and levels have not recovered despite a rise in bilateral aid flows after 2001. We hope that the ODA levels will increase and additional resources will be provided to finance the HIPC initiative.

Fifthly, a more effective and credible multilateral approach is needed to deal with the continuing decline and volatility of the commodity prices. Many developing countries, particularly the LDCs rely on commodity export for their foreign exchange earnings and price volatility plays havoc with their economies as well as development planning. We are also preparing for Barbados+10, which deals with another set of countries with special needs, namely, Small Island

Developing States (SIDS). These countries are extremely vulnerable to external shocks and need special measures to enable them to achieve the MDGs. Hopefully, the meeting to be held in Mauritius next year would lead to a renewed commitment to the sustainable development of SIDS.

Sixthly, the follow-up to the World Summit on Sustainable Development and the implementation of the Johannesburg Plan of Implementation remains a priority for the Group of 77 and China. We look forward to CSD13 in 2005 for the identification of concrete policy options to enhance implementation in the cluster of water, sanitation and human settlements. Our discussions in the second committee this year should therefore also enable us to deliberate on the preparations and the outcomes that we expect from CSD13.

Finally, the multilateral system, particularly its development machinery should be strengthened. The UN funds and programmes should be provided with the necessary resources to carry out their operational activities. This Committee will undertake the Triennial Comprehensive Policy Review of the Operational Activities of the UN system for development. We would like to see this review leading to a more predictable and adequate flow of resources to fund these operational activities.

Mr. Chairman,

Information and Communication Technologies (ICTs) offer enormous potential to generate and distribute wealth and contribute to the United Nations Millennium Development Goals. In this regard, the World Summit on the Information Society is of great importance and will focus on how to develop a shared vision of an information society that empowers and benefits all people. I wish to reiterate the importance given by the Group of 77 and China to the constructive participation of all components of the international community including the private sector to the second phase of the Summit to be held in Tunis from 16 to 18 November 2005

Mr. Chairman,

I have outlined some of the issues that are of central concern to developing countries. And we will discuss this issues in more details under agenda item. The goals of development would remain mere rhetoric if conducive conditions are not created at the international levels. Peace and security are important, but development should also be given greater attention. The UN system and member states need to promote comprehensive approaches to peace and development.

While this session of the Committee is going to address these issues, we hope that it will also prepare the ground for the High-Level Event in 2005, which is expected to give new impetus to the realization of the MDGs and other internationally agreed development goals.

We remain committed to the implementation of the commitments made over the last decade and we expect our partners to fulfill their commitments. Only then, can we realize the commonly shared goal of universal peace and prosperity.

Thank you.