

60th Session of the General Assembly
Second Committee

Follow-up to and implementation of the outcome of the 2002 International Conference on Financing for Development

Mr President,

Excellencies,

I have the honour to speak on behalf of the European Union and its Member States

Development. Since the adoption of the Monterrey Consensus in 2002, the financing for development goals, including the Millennium Development Goals, it is now time to complete the remaining business related to the MDGs.

Mobilising development financing from all available sources is crucial to fight poverty and achieve these goals. The most important source of development finance remains developing countries' state budgets. Other sources include foreign direct investment (FDI) flows, ODA, complementary to and a catalyst for other international resources spent by the new economic powers.

Developing countries have the ownership and primary responsibility for their own development. An enabling domestic environment in developing countries, including stronger tax systems and improved policy and governance frameworks, are vital for mobilising domestic resources. Aid for development is not enough to sustainably address the development needs of developing countries.

International capital flows, remittances and to some extent foreign direct investment have been particularly volatile over the past few years. The resumption of confidence in global markets will help to increase and stabilize these international flows.

...including new financing approaches that help to mobilise additional funding from new sources and partners, especially the private sector. In line with the G20 Declaration we acknowledge the importance of some of our countries to use the financial sector for various purposes, including a financial transaction tax, inter alia to support development.

The EU sees external trade policy as being of paramount importance in difficult times. We will continue to work to improve multilateral trade negotiations. It is essential that WTO Members advance the multilateral trade negotiations agenda at the Eighth Ministerial Conference of the WTO next week in Geneva.

In 2010 global ODA reached a historical high as did the EU's collective ODA to the amount of EUR 34 billion. The EU also accounted for 33% of aid inflows since 2004 and continues to mobilise more multilateral resources.

We have set ourselves the ambitious goal of increasing aid collectively to 7% of GDP and we will continue to increase our aid contribution to progress by 2015. We will continue to work with our partners to increase aid effectiveness and Government reaffirmed the EU commitment to achieve the development aid targets by 2015.

The EU Common Position for the Busan Forum of last week stressed that results and accountability, donor-recipient ownership, transparency and reduced aid fragmentation are key aid effectiveness issues. We welcome the Busan Partnership, which for the first time establishes an agreed framework for aid and development effectiveness that embraces traditional donors and emerging economies as well as civil society and other development actors.

M. President,

Delivering coherence for development has been enshrined as an objective in the Treaty of the European Union. The EU takes development cooperation into account in all its non-development policies that are likely to affect developing countries. The European Council focuses on those policy challenges that are considered most relevant for meeting the MDGs, notably trade and finance, climate change, food security, migration and security.

In my opinion, I would agree with you that it is a significant development challenge. The green shoots of change are there, but we cannot leave them untended. We need to do more to support them. My feeling is that the pace of development is tempered only by a sense of frustration that there is much more for us to do. We will continue with all our partners to strive to achieve the internationally agreed development goals, including the Millennium Development Goals.

Thank you very much.