Statement by John F. Sammis, Deputy Representative to ECOSOC, at the General Assembly Second Committee Debate on Financing for Development, ECOSOC Chamber

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The United States would once again like to thank the Second Committee Chair and Bureau for their ongoing efforts to make our collective work more efficient and productive. In this spirit, and as we announced during last Friday’s discussion on working methods of the committee, we have decided to combine our statements for the four the macroeconomic agenda items on international financial system for development, debt, trade and financing for development.

Madame Chair, this year’s Second Committee consideration of macroeconomic issues and development takes place at an important moment. The global economy continues to mend. But we face a series of challenges that require collective will and commitment to meet effectively. The most important of these is how to strengthen the pace of growth and repair, and to do so in a way that provides the basis for a more balanced – and therefore more sustainable – global recovery.

Against this backdrop, leaders recently attended a successful UN Millennium Development Goals Summit where they reaffirmed our collective commitment to achieving the Goals by 2015. In their declaration, they identified key principles for success, lessons learned and best practices, and set forth an action agenda to lead our collective efforts. Among the important lessons learned from the past 10 years is the role that sustained and inclusive economic growth plays in underpinning meaningful results, whether with poverty alleviation, improving education, combating disease, or tackling environmental challenges.

With global recovery and achievement of the MDGs inextricably linked, the work of the Second Committee on macroeconomic issues has perhaps never been more relevant or important. It is critical that we focus our efforts this year on concrete and sensible ways in which the UN development system can use its comparative advantages to support and inform the ongoing global economic recovery and reforms.

On trade, the United States believes in the importance of expanding trade opportunities to stimulate market-led economic growth and development. The best means to achieve the creation of new trade flows and meaningful market opening, particularly in the world’s fastest growing economies, is through an ambitious and balanced result in the WTO Doha Round negotiations. For our part, the United States has been and remains ready for the serious, sustained and direct bilateral negotiations needed to bring the Round to the market-opening conclusion, as well as the on-going multilateral and plurilateral work in the WTO.

In combination with trade liberalization, countries can accrue significant benefits from making pro-market domestic reforms, and we encourage countries to make the critical reforms and investments needed to diversify their exports and improve their competitiveness in the global economy. The United States will continue to be a leader in providing technical assistance toward that end. We are pleased that many countries saw benefits as they resisted taking protectionist actions in response to global financial shocks, and encourage continued vigilance.

On the International Financial System for Development, we must recognize the important work being done at the IMF, World Bank, and within the G-20 to enhance the voice of developing countries, provide additional resources for low-income countries, and support more flexible policy frameworks. The United States also appreciates the lively and useful discussions that have taken place in the ECOSOC and Bretton Woods Institutions (BWIs) consultations this year. Such discussions provide a valuable opportunity for the UN development system to share its unique perspective and expertise in a manner that respects the mandates and governance of BWIs.

Perhaps the most significant recent development has been the emergence of the G-20 as the premier forum for international economic cooperation. The G-20 represents East and West, North and South, advanced economies and those still emerging. Together, the Group represents some 85 percent of the global economy, and its challenges are as diverse as its member nations. The G-20 has forged a coordinated response to the worst global economic crisis of our time. We welcome efforts by the Republic of Korea to continue previous G-20 hosts’ practice of providing regular briefs to the UN membership, and to explore other avenues of communication between the two organizations.

On debt relief, we continue our efforts to support debt sustainability and provide debt relief where needed and within the parameters and rules of existing frameworks. Significant success has been achieved over the last decade on our commitments, most notably through the Enhanced HIPC Initiative, and the Multilateral Debt Relief Initiative and the establishment of the joint World Bank-IMF Debt Sustainability Framework. We will continue to look to the Paris Club to find coordinated and sustainable solutions to the payment difficulties experienced by debtor countries to the Paris Club creditors on a case by case basis.

Madame Chair, the United States continues to stand firmly behind the principles and focus of Financing for Development as articulated in the Monterrey Consensus and Doha Declaration. Development requires an inclusive global partnership that draws on an array of vital resources including domestic resources, trade, foreign direct investment and other private flows, remittances, official development assistance, and South-South Cooperation. With respect to “innovative finance,” we support exploring new ideas to support development and accelerate achievement of the MDGs. However, these approaches need to be evaluated on a case by case basis. We are pleased the financing for development agenda remains dynamic and, within its existing frameworks and processes, continues to offer us new perspectives and approaches for development.

But development is about more than just resource flows. As President Obama noted in his speech at the Millennium Development Summit, “For too long, we’ve measured our efforts by the dollars we spent and the food and medicines that we delivered. But aid alone is not development. Development is helping nations to actually develop -- moving from poverty to prosperity.”  
  
On that note, we wish to emphasize that the United States remains a strong supporter of the aid effectiveness agenda and core principles as outlined in the Paris Declaration and reaffirmed in the Accra Action Agenda. The success of our ever evolving global partnership will depend on our collective ability to respect and pursue national ownership, improved harmonization, better alignment of programming, improved results and mutual accountability.

Thank you.

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