

Madame President, ladies and gentlemen,

29.6.2004

Let me begin by saying that I associate myself fully to the statement made earlier on behalf of the European Union by the distinguished representative of Ireland.

The theme for this high-level segment of ECOSOC - "Resources Mobilization and Enabling Environment for Poverty Eradication" - encompasses a broad variety of issues that are all vital for the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001 - 2010, adopted in Brussels three years ago. The Programme of Action as well as the Brussels Declaration confirmed and strengthened the principles and objectives of the Millennium Declaration.

Even if the implementation of the Programme for Action is still at an early stage, it is clear that more efforts - domestic and external - are needed if the agreed targets are to be met.

The Programme of Action and the Brussels Declaration clearly emphasize that the primary responsibility for development in LDCs rests with the LDCs themselves. Equally it is clear that partnership and shared responsibility are the basic principles in implementing the Programme of Action and addressing the problems of the LDCs. The participation of all relevant stakeholders is needed. Regional cooperation and South-South cooperation are other important elements in this process. On the other hand, effectiveness of the development assistance given by the bilateral and multilateral donors should be further enhanced. This could be done through intensified coordination, improved harmonization, and appropriate institutional arrangements.

Madame President,

The resources mobilization is an essential element in these deliberations. The issues of investment, production, trade, debt and aid cannot be discussed in isolation - the actions aimed at creating an enabling environment are equally important in this respect. Good governance at the national and international level, the rule of law, respect for human rights, promotion of democracy, fair income distribution, gender

equality, investment in health, education and social infrastructure as well as fight against corruption are all necessary elements in the development process.

In this context I want to mention two major challenges that need special attention.

The first one is the importance of linking poverty reduction firmly to promoting gender equality. Although women and men share many of the burdens of poverty, they frequently experience poverty differently, have different poverty reduction priorities and are differently affected by development interventions. Women are disadvantaged due to the widely spread gender biases in the economy, such as gender-based market segregation as well as lack of access to and control over productive resources. Research on agricultural productivity in Africa also indicates that reducing gender inequality could significantly increase agricultural yields. Therefore, addressing gender differences through macroeconomic policies becomes a crucial issue for effective poverty reduction. To say this more clearly: the potential capacity of women is 50 % of the total human resources of the economy.

Another challenge is the HIV/aids epidemic. It has profound consequences on the global level in terms of instability and poverty and as well as human suffering, sickness and death on a family and individual level. We have to find ways of increasing access to better prevention and care worldwide. The supportive participation of religious communities, local communities and other stakeholders is crucial. Particular emphasis has to be given to finding ways of fighting the root causes of infection, of which I want to mention poverty, gender inequality, ignorance and human rights violations.

Madame President,

Globalisation should not cause further marginalization of the LDCs. On the contrary, it should promote their integration into the global economy and the multilateral trading system. This demands coherence in trade and development policies by both the recipient and donor countries, as well as by international organizations.

One of the areas where globalization is changing the opportunities and rules of the game is in agriculture. Since the majority of the poor live in rural areas and are either directly or indirectly dependent on agriculture, it is of utmost importance

that we work together to ensure that a sufficient attention will be given to the livelihoods of the rural poor. The commodity issue, market access for LDCs, the right for locally produced food and capacity building are some of the topics that require a concerted action by all the key actors in the fields of agriculture, trade and development.

The report of the World Commission on the Social Dimension of Globalization, established by the International Labour Organization and co-chaired by the Presidents of Finland and Tanzania, contains several concrete recommendations on how to strengthen the social dimension of globalization. Its most significant introduction is the importance it pays to employment questions and the concept of decent work - these both seen from the perspective of national income and individual employment.

Finland and Tanzania have also been active in establishing a new forum to promote more equal and balanced global governance. The Helsinki process has invited stakeholders from a variety of backgrounds - governmental, non-governmental, the academia, private sector etc. - from the north and the south to discuss and identify new ways and approaches to solve global problems.

Madame President,

The Government of Finland has adopted a new White Paper on Development Policy for 2004 -2007, where we reaffirm our commitment to the Millennium Declaration, its values and the Millennium Development Goals (MDGs). Eradication of extreme poverty is the main goal of Finland's development policy. Increased emphasis is put on policy coherence at different levels of cooperation: in support of multilateral organizations, in the EU context as well as national and bilateral policies. We want to contribute and focus in the areas where we can add value, on the basis of our experience and know-how. Our involvement at country level will continue to be guided by the Poverty Reduction Strategies of the partner countries. The Government of Finland has committed itself to increase our official development assistance (ODA) disbursements to 0.44 % of GNI by 2007. The aim is to reach 0,7 % target by 2010. Almost one third of our bilateral ODA went to the LDCs in 2002.

To operationalise the link between trade and poverty reduction requires that trade reforms and progressive trade liberalisation are part of a wider country owned

development strategies. The challenge is to improve the coherence between trade and development policies. The adoption of principles of good governance, fight against corruption, promotion of human rights, and the introduction of mechanisms for fairer income distribution are also critical. The beneficial impacts of these principles to development are based on our own experience in Finland.

Thank you for your attention.