

**Statement to ECOSOC on behalf of the Committee for Development Policy (CDP)
by**

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**Strengthening efforts to eradicate poverty and hunger,
including through the global partnership for development
Geneva, 4 July 2007**

Mr. President, Distinguished Delegates,

Since adopting the Millennium Declaration in 2000, the global community has witnessed a number of positive developments towards achieving the Millennium Development Goals (MDGs): many countries, particularly in Asia, have made significant progress in reducing poverty and improving the health status of the population. Several European countries maintained official development assistance at or above the target level of 0.7 per cent of gross national income. The European Union as a group is committed to achieve the same goal by 2015. But developments have not been positive on all fronts: there are a number of important donor countries that are still far below the 0.7 per cent target; the Doha Round negotiations of the World Trade Organization have stalled, thereby delaying the adoption of a more development-friendly multilateral trading regime; and many of the poorest countries, especially those in sub-Saharan Africa, are “off track” to meet the MDGs.

Against this background, the Committee for Development Policy (CDP), at its ninth session in March this year, examined the existing framework for global partnership for poverty reduction. It also assessed progress towards strengthening the global partnership in support of poverty reduction strategies of developing countries. The outcome of the discussions of the Committee and its recommendations are contained in the Report that is in front of you (E/2007/33).

The Committee notes that the global partnership for development has been strengthened in a number of areas, especially with the inception of the Poverty Reduction Strategy Paper (PRSPs) and has accelerated since the Millennium Declaration. Substantial debt relief has been granted under the Heavily Indebted Poor Country (HIPC) initiative. The global partnership was further strengthened by the adoption of the Paris Declaration on Aid Effectiveness in March 2005, which accepted that the harmonization and alignment of aid delivery is the basis for a new framework of “mutual accountability”.

The Committee also identified some fundamental shortcomings in the existing framework particularly to the extent this uses the PRSPs as the main instrument for the global partnership in the fight against poverty. First, the PRSPs do not appear to have met its original goal – that is, achieving substantial poverty reduction in developing countries. This assessment holds true in particular for sub-Saharan Africa, where the majority of

PRSPs have been prepared. Countries that have succeeded in reducing poverty in a significant degree, such as China, India and Viet Nam, relied, instead, on their national development strategies and investment-driven macroeconomic policies to attain high levels of growth and to reduce poverty. Productive investment is crucial.

Second, the predictability of aid flows remains inadequate in many instances. The PRSPs were designed to help donor countries align with the medium- to long-term development objectives of the recipient countries and to ensure more predictable flows of foreign aid. Also this objective has not been achieved. The Committee emphasizes that less predictable flows of aid and misalignment of donors' priorities with recipients' objectives are likely to make aid less effective in reducing poverty. Recipient countries continue to face the large number of donors with their own procedures and conditions. The basic principle of aid harmonization and donor alignment behind national poverty strategies, endorsed by donors in the Paris Declaration, has not yet been realized.

Third, and most importantly, the global community needs to address the apparent lack of national ownership of PRSPs in most countries that have one. It is the Committee's view that the lack of national ownership appears to be due to particular characteristics of the PRSP process. For one, the donor community tends to be overly involved in the preparation of PRSP documents and in the consultation processes with domestic stakeholders. In addition, the release of funds by bilateral donors is tied to many policy conditions and with diverse administrative procedures. The International Monetary Fund also attaches, with the support of donor countries, stringent macroeconomic policy targets before the delivery of debt relief, limiting the "fiscal space" of recipient Governments to implement effective anti-poverty policies.

Mr. President,

The CDP recognizes the urgent need to improve the global partnership for poverty reduction and eradication of hunger. Allow me a word on innovative north-south partnerships, such as the Initiative of Action Against Hunger and Poverty. At present, 35 countries have committed their support to a pilot project that is already operating, under the name of UNITAID in the WHO, cooperating in the fight against HIV-Aids, Malaria and Tuberculosis; three pandemics that are severe causes of poverty. Financing is coming from solidarity levies on air tickets; that is, a progressive innovative source of financing.

The Committee recommends that the global community should turn the existing notion of a more effective partnership, endorsed in the Paris Declaration, to a reality by effectively reducing policy conditionality. In doing so, recipient Governments will sense that they have more space to design policies specific to their socio-economic conditions and constraints. The Committee recommends that donors should enhance technical cooperation to strengthen national capabilities in designing and implementing effective poverty reduction strategies. Furthermore, the global community should also assist recipient countries to diversify domestic and external financing sources to enhance the policy space for implementing their poverty reduction strategies. Finally, renewed efforts are necessary to put the Doha Round negotiations back on track and speed up the

implementation of the Aid-for-Trade initiative so as to make the trading system more conducive to pro-poor development.

ECOSOC could play a leading role in monitoring the strengthening of global partnerships in four specific areas. First, the Committee is of the view that the Council can play a leading role in facilitating a dialogue among the member States of the United Nations and with the Bretton Woods Institutions as to how making the existing poverty reduction strategies and the development assistance supporting more effective. Such a dialogue could examine alternative approaches for strengthening national initiatives in building and implementing effective poverty strategies.

Second, the Committee recommends that ECOSOC urges all UN member States to ensure that global environment is made more conducive for developing countries to succeed with their poverty reduction strategies. In particular, ECOSOC should urge all the parties in the Doha negotiations to reach an agreement with terms that are fully consistent with the objectives of the development agenda. In this regard, renewed emphasis should be placed on the elimination of agricultural subsidies in developed countries, the Aid-for-Trade Initiative and more development-friendly trade rulings regarding intellectual property rights.

Third, the Committee recommends that the Council could monitor the fulfillment of the commitments made in the Paris Declaration through the Development Cooperation Forum. Delivering on the commitments agreed in Paris will both strength the framework for the global partnership and give greater fiscal space to aid-recipient countries.

Fourth, ECOSOC could give greater prominence to climate change, which creates additional challenges for poverty reduction. While all countries have to confront the adverse consequences of climate change, the challenge is particularly demanding for the least developed countries and the small-island developing states due to their geographical characteristics and, in many cases, lack of financial and technical resources which call for predictable and larger aid flows from the donor community to mitigate impacts of climate change.

Mr. President, in the context of today's discussion, I would like to refer to one additional issue: the graduation of Cape Verde from the list of least developed countries. Thirty years after joining the list, Cape Verde should be applauded for its successful escape from the low level of economic development and structural impediments to economic growth that plague least developed countries. The Committee urges the international community to continue supporting the country's development effort so as to allow for its smooth transition from the LDC category as agreed in the GA resolution 59/209.

Mr. President and Distinguished Delegates, I thank you very much for your attention.