



Informal Summary

National Voluntary Presentations of Belgium, Chile, Finland, Kazakhstan, Lao People's Democratic Republic, Luxemburg, the United Kingdom and the United Republic of Tanzania

2-3 July 2008, New York

Introduction

- The National Voluntary Presentations (NVP) of the Annual Ministerial Review (AMR) of the Economic and Social Council (ECOSOC) took place on 2 and 3 July 2008 at United Nations Headquarters in New York.
- The 2008 NVP served as a *mechanism for strengthening accountability* for fulfillment of the Internationally Agreed Development Goals (IADGs), including the Millennium Development Goals (MDGs) as well as strengthening the *normative-operational* link.
- Ministers from *Belgium, Chile, Finland, Kazakhstan, Lao People's Democratic Republic, Luxemburg, United Kingdom and United Republic of Tanzania* delivered presentations on countries' experience in implementation of their respective strategies and policies.
- The contributions made by different stakeholders, including representatives from civil society, local governments and the private sector, reflected the character of the NVP as the emerging global mechanism for *collaborative review*.

Key policy messages

The key policy messages that emerged from the presentations and discussion include:

- *National development strategies*, while entirely country-driven, also need to be *responsive* to the Internationally Agreed Development Goals, including the MDGs.
- Domestic efforts need to be supported by the international community that has the obligation to fully address the MDG8 '*Global Partnership for Development*.'
- *Greater coherence must be achieved among policies* on sustainable development, climate change, migration, food security, trade, debt, investment, technology and systemic issues.
- Development strategies should be *people-centered*, addressing the *multidimensional nature of poverty*. Institutional frameworks should be strengthened and geared towards providing social services, removing the threat of marginalization, and empowering the poor.

- *Sustainable development*, which integrates economic growth, social development and protection of the environment, *requires mutually supportive policies and frameworks* to have a meaningful impact. To make the three pillars work in practice requires Teams within Ministries that can address cross-sectoral issues.
- Looking *beyond the Millennium Development Goals* is indispensable to address broader development cooperation issues, especially environmental sustainability and other issues critical to the development needs of programme partners.
- *Ecological and environmental issues* need increased attention, especially in light of the negative impacts of global warming and biodiversity loss. The *development policy dialogue*, now reduced to discussions on development cooperation, a relatively narrow agenda, must be moved to wider approach and agenda of Rio.
- Further integration of *climate change* into poverty reduction strategies and policies and support implementation of adaptation policies is indispensable. There is a need for a global study on low carbon growth trajectories to show how incomes are raised in a low carbon way. The post-2012 negotiating process should be “pro-development”.
- Steps need to be taken to ensure that patterns of *consumption and production* are more sustainable and create prosperity based on low carbon dioxide emissions and environmental stability.
- In terms of *sectors*, more efforts are needed in the areas *food security and energy*. While there is a need for country-driven plans for *agricultural and rural development*, these must be an international mechanism to identify countries where there is not enough financing and to enforce accountability.
- In terms of *modalities*, *budget support* is the preferred modality where there is national leadership and a clear plan thereby strengthening the national systems of Government.
- Sustainable development will not be achieved without strong *involvement by civil society, local authorities, the private sector and the general public*. Citizens should be given information and rights.
- *Security and development* are inextricably interdependent. Countries recovering from conflict need strategies based on fully multi-dimensional perspective.
- *This is a year when leadership is needed more than ever*. The Accra Third High-Level Forum on Aid Effectiveness, the Millennium Development Goals high-level event and the Doha Review Conference on Financing for Development provide an opportunity for the international community to demonstrate renewed commitment.
- *The National Voluntary Presentations* serve as a *mechanism for strengthening accountability* for fulfillment of the internationally agreed development goals and for *collaborative review*.

Presentations

Belgium

Presenter: H.E. Mr. **Charles Michel**, Minister for Development Cooperation of Belgium

Belgium stated that the NVP is a cornerstone of Economic and Social Council reform. Volunteerism must be at the heart of multilateralism.

Belgian development cooperation seeks, as a matter of priority, to promote sustainable human development by focusing on the fight against poverty, based on a partnership approach. It focuses on five sectors: health, education, agriculture, basic infrastructure, conflict prevention and strengthening of society. And four cross-cutting themes: gender, environment, social economy and rights of children. Currently, it is focused on 18 partner countries and cooperates structurally with 21 international organizations.

Belgium's activities with regard to the environment and sustainable development are structured around six priorities: sustainable management of water resources, control of desertification and forest degradation, protection and sustainable management of biodiversity, improved ecological management of urban and surrounding areas, reduction and prevention of the adverse effects of climate change.

Belgium supports integrated approach to development. Economic and social progress could not be undertaken without protecting and preserving the environment. None of the MDGs could be taken up in an isolated fashion, particularly Goal 7. The Goals provide prospects for common action and are basis for partnerships, particularly South-South partnerships.

Development cooperation can no longer be considered in isolation. It must increasingly be viewed as part of overall international activities covering a range of areas such as international security, globalization, management of migration, the growing pressure on resources, particularly water resources and the challenge posed by climate change.

Belgium is committed to allocate 0.7 per cent of its GDP to ODA by 2010. Belgium also endorses the terms of the Paris Declaration with regard to ownership, harmonization, alignment, results and mutual accountability. It advocates division of labour among various donors, including within European Union.

In Belgium, sustainable development issues are examined by several ministries, in a framework that involves federal and local entities. There is legislation that provides for the participation of civil society, thanks to the Federal Council for Sustainable Development. Every four years, the country would create a federal plan for sustainable development, and would be one of the few countries to have placed international cooperation objectives into law in 2009.

Key lesson learned from implementing Goal 7 is the importance of national planning, effective ownership by "end users" (authorities and local populations) and creation of conditions allowing vulnerable to improve quality of their lives.

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Vietnam asked the rationale behind Belgium's top priority of climate change and environmental protection in projects and international cooperation. Vietnam is one of the most affected countries by sea level rise. Vietnam also asked if there is any horizontal coordination among agencies on the ground to ensure the sustainable development.

In response, **Belgium** said it is important to consider the three dimensions of sustainable development because poorest and most vulnerable countries are the major casualties of climate

change although they are not the origin of the problem. A World Bank report shows that 55% of its projects are sensitive to climate and 25% of the projects financed by World Bank are consequently affected by climate change. However, only 2% of the projects are put to climate test and systematically involved in terms of measuring the nature of risks. There is no mechanism related to horizontal coordination so far in Belgium and it is still below the scope. Further cooperation is needed between donor and local community. Belgium is working closely with UNDP focusing on modern governance and capacity-building.

Malaysia asked how countries pursue low carbon path based on the fact that there is no green model on carbon emission. Another question was raised on food crises: how Belgium Survival Fund can help solve the problem when EU subsidies to agriculture still exist to be a big problem.

In response, **Belgium** gave the example of Democratic Republic of Congo on deforestation in which Belgium helped to align natural resources parallel with sustainable development. Belgium is taking a systematic approach on climate test to make sure that carbon impact is as low as possible. However, more efforts are needed. Innovation and research in this field is fundamental. Regarding food crises, Belgium follows the guidelines of Food and Agriculture Organization in Rome and has been pleading the EU and OECD countries to make specific proposals on building local agriculture ability and relocating more worldwide food assistance.

Benin asked how Belgium views its leadership and advocacy on the current basis. What are the challenges for Belgium in propelling development and how to bring more other OECD countries to join the group? Benin also asked what the difficulties are in assisting the African countries and how Belgium has overcome them.

Belgium responded that among EU members, Belgium is the most voluntarism country. It hopes to achieve 0.7% of GDP to ODA on time. In 2007, it has increase 27% of its foreign assistance. However, improving aid effectiveness is more important than mere increasing volume. In terms of partnership with African countries, it is essential to keep dialogue open and allow signatory countries to develop their own national strategies, and move to effective ownership by government and society. Only when countries become the “master” of their own destiny can they achieve MDGs.

Chile

Presenter: **H.E. Ms. Paula Quintana**, Minister of National Planning and Cooperation of Chile

Chile stated that sharing national experiences in public policy and development is critical for all countries to move towards the achievement of commitments contained in the Millennium Declaration.

Chile’s political, economic and social strategy placed the country in a position to press ahead with efforts to meet the MDGs by 2015. Chile aims to construct democratic, open and egalitarian society in which all citizens are able fully realize their rights.

Main pillars of Chile’s development strategy are economic growth, social development and democracy. Emphasis is on ensuring that economic policies are sustainable and link with social policies.

Between 1999 and 2007, the economy grew at an average annual rate of 5.4 per cent. Further, now, \$2 out of every \$3 of public spending was earmarked for social investment. That success

allowed the country to take advantage of the opportunities provided by globalization. Progress is seen in education and in infant and maternal health with significant decreases in mortality rates.

Chile placed the individual at the centre of development efforts. It reoriented its social policy from a focus on assistance to a focus on rights so as to allow the Government to target vulnerabilities of specific social groups. Chile Solidarity System was created focusing on families living in extreme poverty and providing guaranteed subsidies and preferential access to basic social and health services.

Chile's social and economic progress made it possible for the Government to be even more ambitious, and it is now perusing social protection system focusing on rights, "guaranteed and demandable" to provide assistance throughout the lifecycle. It also moved from addressing Goals in terms of "quantity" to "quality".

Key challenges are: 1. further strengthening poverty reduction programmes, especially for children; 2. stepping up efforts to address gender inequality, especially to promote savings for women and employability of women, youth and girls; decreasing unequal distribution of income, gender inequality, especially in the labour market, both in the general workforce and in management; addressing unequal wages and identify ways to improve the quality of education; and improving the situation of indigenous people, especially the health and education of indigenous children.

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A representative of **Chilean civil society** observed that, while there had been significant gains towards achieving many targets, challenges remained in the areas of poverty alleviation and climate change. Civil society is also concerned about the unequal distribution of income, as well as lagging efforts to create quality jobs. Civil society hopes that these issues would be addressed in the new social reform strategy.

Moreover, civil society is concerned that the gains made to address poverty and education are merely transitory and, if they are not addressed in a comprehensive manner, would crop up again to pose obstacles down the road. Civil society called for more consultations between Government agencies, civil society and people affected by or living in poverty.

Mexico said that in Latin America Chile is a model of social reform, especially in poverty reduction, and economic growth. At the same time, Mexico is aware that, as a crucial step to ensure sustainable development, Chile needs to press ahead with its environmental protection agenda.

Spain said that despite encouraging indicators in poverty reduction and economic growth, there are challenges in ensuring equality throughout the country, especially for social groups such as women, children and people with disabilities.

Uruguay said that Chile, like most middle-income countries, must continue to expand its South-South and international development cooperation to stave off things that could slow growth, including external financial shocks, environmental degradation and, in the broader view, migration.

In response, **Chile** said that because poverty reduction is one of Government's early priorities, significant gains were made during the middle of the past century. Chile is aware that some

challenges remain, but the Government is convinced that, with policies focused on economic growth, democracy and social spending that targeted specific social sectors, the remaining concerns could be effectively addressed over time. Chile had been able to focus on rights because the country had been experiencing a long period of social and economic stability. Now, the challenge is to set up and maintain a sustained system of social protection that focused on youth, health care and education. Chile had gradually moved away from policies focused on extreme poverty to those targeting the vulnerabilities of children and the elderly living in precarious situations. Social programmes were also targeting pregnant women and young school-age children to boost women's participation in the workforce. Chile is aware of the diversity of its populations and, to that end, is prepared to go even farther to create a social system that ensured rights for all the country's citizens.

The United Kingdom

Presenter: Mr. **Andrew Steer**, Director-General, Policy and Research, Department for International Development

The UK Government warmly welcomed the "new look" ECOSOC. In interdependent world, it was more important than ever to hold each other accountable, and share lessons learned.

The UK stated that sustainable development must begin at home. The UK Government has made a commitment to reduce UK carbon emissions by 60% by 2050, with a recognition that it may need to go even further perhaps to 80%. It expects Parliament to enshrine this in law in the coming months, which would make the UK the first country to have such legally binding obligation.

The UK observed that sustainable development required integrated solutions. There is need to think not only of aid flows, but also of the policies that are implemented at home that may affect developing countries. For example, the UK policies on issues such as trade, migration, climate change etc may well have a much bigger impact on developing countries than ODA flows. Trade policy is especially important and the coming few weeks are crucial for the Doha round.

There will be no sustainability without development. The UK stressed that economic growth accounts for 80% of all poverty reduction over the past quarter century, and no agreements should be accepted that restrict the growth of developing countries. Inclusive economic growth is also essential to long run sustainability. Development is also the most effective way of building resilience to climate change.

Giving information and rights to citizens and consumers can change the world. The UK has found that investing in getting the right information to the right people can have a much higher return than traditional projects. One highly successful example is the Extractive Industries Transparency Initiative (EITI). Giving land rights to local citizens also has a powerful effect.

If Climate Change is not addressed effectively, other efforts may well be wasted. Under current trajectories climate change could undermine all recent progress. The UK believed that developing a successor to the Kyoto Protocol by the end of 2009 represents the most important international negotiation. The UK is working to help ensure a "pro-development" post-2012 agreement and would look for five features: 1. an ambitious goal with credible near-term targets; 2. a way of sharing greenhouse gas emissions that is fair and equitable, with deeper absolute reductions by developed countries and measurable action by developing countries; 3. a reformed carbon market to increase the reach and impact of carbon finance for poor countries; 4. support for technology

development and transfer to benefit developing countries; and 5. support for developing countries to build their resilience and adapt to climate change.

The UK stressed that it is time to take water and sanitation seriously. This will require better governance, sufficient finance and efforts focused on those without access. The UK called for more coherent action on water and sanitation through the 5 Ones to deliver effective action: One global annual report, One global annual meeting – to monitor progress and, importantly, agree actions (this first of which will take place in New York on 24 September), One national water and sanitation plan, One water and sanitation coordinating group at national level, One lead UN agency on water and sanitation in each country.

The ball was dropped on agriculture and must be picked up. The UK underscored that too little attention is paid to productive agriculture and its links to the natural environment. The international response to the food prices situation must be ambitious. The link with climate change is obvious and alarming as some agricultural ecosystems will be threatened with collapse as temperatures rise and water becomes scarcer.

The UK stressed that without strong leadership efforts will fail. One of the major conclusions of the Growth Commission is that leadership is the key to development. One key element of leadership relates to keeping promises.

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Malawi wondered if the UK's commitment to reduce poverty is in line with sustainable economic development. It's crucial for the developing countries to build the capacity of transforming natural resources to development, generating foreign exchange. Malawi called for reduction of international trade impediment and agriculture subsidies in developed countries.

Bangladesh asked how the integrity of the three pillars of the sustainable development is maintained in the development assistance programme of the UK, whether the UK government has set any target yet to reach the 0.15 to 0.20 percent of ODA to LDCs as agreed in the Monterrey Consensus, World Summit Outcome and the Brussels Programme of Action, how to enhance the quality of aid and how to ensure long-term predictability of aid and how additional sources of funding can be distributed to finance the climate change needs.

Mozambique stated that three pillars of sustainable development are on the top agenda of international community and should be treated with a holistic manner. UK is one of the biggest partners of Mozambique. It has made direct investment into budget support without telling Mozambique government what to do but help them manage in the best possible way. Mozambique enjoys about 7% GDP growth in the past few years; however, the increase in agriculture productivity is negligible. Mozambique called for other governments to follow UK's leadership and be committed to help developing countries to build their capacity. Mozambique asked if UK has any concrete steps to address the recent food crises, especially in most vulnerable areas and LDCs.

Moderator asked if there is mutual accountability between donors in commitments. **Malaysia** asked whether UK is on target in this time period before 2012, if there are any obstacles and how UK has overcome them. Regarding the three major crises, food, and fuel and climate change, what UK has done in direct government intervention in the light that market-oriented approach is not working. **Libya** asked if UK has considered the structural cost behind world economy and

when the name of the game is competitiveness in modern society, will it change the way economy operate.

The United Kingdom said that it has reached 0.16 percent of ODA to LDCs and would increase further funding. 90% of its bi-lateral spending goes to low-income countries. Aid support for new adaptation fund and clean mechanism will be enhanced. A national team is working multi-sectorally to bring different perceptions together in order to maintain the integrity of the three pillars of sustainable development. Putting fund through government with a clear plan and strategic leadership is important to ensure aid effectiveness and strengthen the system of government. In response to food crises, UK stressed that it has to be a country-led mechanism. Developing countries should ask for help with a clear plan themselves. International mechanisms make sure the funding would happen, but not interfere with the national planning process. Only in this way can we hold each other accountable in solving thus problem. Regarding donor accountability, UK recognizes the aspects in which rich countries may hurt people. Review of the programmes is helpful, and review of the overall coherence of rich country policies is very important. Corporate Governance: An International Review (CGIR) system is worth investment. Market system needs to be enhanced as well. In response to Libya, UK said that competitiveness is a phenomenon of globalization; however, it has both sides. African average growth is about 6.5% in which good policy and leadership really help.

The United Republic of Tanzania

Presenter: H.E. **Peter Msola**, Minister of Science, Technology and ICT of United Republic of Tanzania

National policies in Tanzania are categorized into long term national development strategy known as Vision 2025.

The GDP growth rate in recent years has averaged about 7% per year. With such a growth, Tanzania is well on the way to achieving the 8 – 10 per cent growth per annum that would be required to achieve the MDGs. Tanzania has also achieved significant successes in universal education, gender equality in primary and secondary education and reduction in child mortality. Considerable achievement has been made in improving aid relationships as part of the global partnerships. The introduction of the Independent Monitoring Group as a mutual accountability mechanism has helped to make progress in this area. Encouraging progress is being made in attaining targets for safe water for drinking and sanitation. Improved network and performance of health facilities and water supply and sanitation infrastructure in the country has contributed to the positive results.

However, there are areas where progress has been modest making it unlikely that the MDGs will be achieved. Tanzania is unlikely to achieve MDGs in the areas of poverty and malnutrition, maternal health, improving life in slums, environment and decent employment especially among the youth unless new initiatives are taken to change the current trends. Hunger and malnutrition challenges are being aggravated by the current food price increases in the world market. However this could be an opportunity for Tanzania, being a largely agricultural economy provided adequate supply response in agriculture can be achieved.

Tanzania is highly depending on foreign aid to finance its development activities. The budget support mechanism has improved predictability of external resource inflows and therefore improved budget planning and execution. The development of a framework for cooperation which culminated in the preparation of Tanzania Assistance Strategy (TAS) and later upgraded

into the Joint Assistance Strategy for Tanzania (JAST) has become a main guide in aid management.

Key challenges are: (i) underfunding is the main challenge of all sectors of the Tanzania economy; (ii) progress has been made in poverty reduction but progress in this area needs to be stepped up to combat both the large proportion of the rural poor as well as meet the rising challenges of urban poverty; (iii) achievements in education need to be better linked to the changing demands of the labour market; (iv) gender inequality continues to be a major challenge at higher levels of education and in terms of economic empowerment while maternal health care remains an area of great concern; (v) child and maternal mortality are still high posing a major to the health system as a whole. These health challenges are compounded by the HIV and AIDS epidemic; (vi) HIV and AIDS pandemic has been declared as catastrophe in Tanzania; (vii) the environmental sustainability challenges have increased in almost all dimensions due to low general level of education and inadequate attention to developing alternative sources of energy for use especially in rural areas.

Lessons learned from poverty reduction processes indicate that consultation is important for positive impact. Growth is necessary, but not sufficient, condition for poverty reduction in medium and long term. Lessons learned from governance and accountability are that these are underlying conditions for growth and reduction of income poverty, reduction of poverty and improved quality of life and social well-being. Tanzania's experience in managing aid relationships highlights the importance of ownership, policy space, firmness, managing for results, collective action and exit strategy. Given the magnitude of the IADGs/MDGs interventions, the Government requires a substantial amount of resources. The key objective of resource mobilization is to make aid commitments more predictable so that Tanzania can implement its national programmes to achieve the IADGs/MDGs.

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Denmark said there was no doubt that Tanzania had poverty reduction initiatives in place, but it was clear that it did not have enough resources to address all the challenges. He agreed that the country's efforts to achieve the MDGs revealed a "mixed picture". The Government must make a greater effort in the area of education, especially to reach dropouts and to improve the quality of teachers and schools. Despite progress in the area of child mortality, the rates were still high, requiring constant attention. It was also clear that maternal mortality must be addressed. Denmark urged the Government to address environmental sustainability issues, including by pressing ahead with its efforts to build a national power grid, especially to ensure that people living in extreme poverty had access to energy and electricity.

Finland and **Guyana** welcomed the progress made by Tanzania and Finland encouraged Tanzania to set the development goals even higher. In response, **Tanzania** agreed that his country needed to expand its tax base and strengthen private sector investment. The Government was undertaking efforts to address those issues, as well as to improve the quality of its schools and academic curricula. A pilot programme to strengthen the agricultural sector might soon target rural women, who did most of the farming but were forced to use crude and outdated tools for their work. On stagnant maternal mortality rates, the situation in Tanzania seemed to be similar to that of other countries and it clearly needed to be addressed. Improving access to services and facilities and bolstering health education sectors would be a good start. Also, Tanzania is developing a programme to address the situation of marginalized groups in the country.

Lao People's Democratic Republic (PDR)

Presenter: **H.E. Mr. Bounkeut Sangsomsak**, Vice-Minister for Foreign Affairs, Lao People's Democratic Republic

Lao PDR's national development strategy was based on meeting national development needs and integrating the internationally agreed development goals, including the MDGs. It aims to transform the economy from one characterized by uneven performance to one of fast and stable development, increase competitiveness and utilizing comparative advantages, strengthening links between economic and social development, protecting the environment, and accelerating the development of social economic infrastructure and finalizing the establishment of a market oriented economy.

To do that, four medium- and long-term goals had been set, which include eradicating mass poverty by 2010, achieving the MDGs by 2015 and graduating from least developed country status by 2020. Focus is on agriculture, education, health, and infrastructure.

All internationally agreed development goals had been integrated into the national development strategy. It would cost \$90 billion to implement the plan, and the private sector would need to take on 69 per cent of that amount. The Government would also rely on foreign direct investment and official development assistance.

Overall poverty rate has steadily declined from 46 per cent to 33 per cent during the decade 1992/3-2002/3 and reached 28.7 per cent by 2006. With this pace of progress, the country is on course to attain the Millennium Development Goal target of halving poverty by 2015.

However, since poverty reduction is propelled by economic growth, the challenge for continued poverty reduction in the Lao is to sustain the level of economic growth achieved over the previous decade. In education and health, progress has been positive. Progress in education is reflected in the continuous progress across all key indicators, for instance: net enrolment rates in primary schools rose from 58 per cent of primary school-age children in 1991 to 84 per cent in 2005; the retention rate, although slow is improving; literacy rates increased nationwide; priority districts improved more than the national average, especially at primary age (basic education) and literacy almost doubled from 31 per cent to 58 per cent. On the health front, the child mortality indicators are improving satisfactorily. The progress in promoting gender equality has varied. While considerable achievements have been recorded in terms of the woman's role in the decision making process, especially the representation of women in the National Assembly, there is yet an existing gap in the enrolment rate between boys and girls, as well as challenges associated with the capacity-building of women. As regards sustainable development, various measures have been undertaken by the Lao Government to protect the environment, while promoting economic growth.

On international development cooperation, Lao PDR focuses on regional integration, particularly in the Mekong area, on community-building with the Association of Southeast Asian Nations (ASEAN), and regional connectivity. Hydropower plants were built to make the country an energy supplier in the future. To strengthen ODA effectiveness, the Government had endorsed the Paris Declaration and adopted the Vientiane Declaration on aid effectiveness. Last year, total ODA had reached \$422 million, and 191 projects amounting to \$1.2 billion had been approved in various sectors. Also, for the first time, the country had recorded a trade surplus.

Main challenges faced are malnutrition, and maternal and infant mortality which remain high compared to other countries in the region. Women's ability to take part in decision-making processes is inadequate and financial resources needed to be increased.

Key lessons-learned are that to cut poverty and malnutrition rates, the Government must focus on sustainable agriculture. To address maternal mortality, universal access to quality health care must be ensured and awareness of reproductive health care must be promoted among ethnic populations. Adequate resources must be allocated to education across provinces, teachers must be trained and curricula improved. Further, the capacity of institutions to enforce environmental regulations must be improved.

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Sweden wondered what the Government was doing to reach people in remote areas, as that was a difficult task. Child-friendly schools were a good model for making progress. Many of them offered girls twice the food rations of boys as an incentive for them to attend school. **Malaysia** asked how poverty reduction efforts were bridging the gap between urban and rural populations, and how the Government was assisting people who had been displaced by various land schemes. **Japan** asked how the Government could produce sustained economic growth with a view to becoming less dependent on foreign aid. **Australia** noted that the future challenge was in developing the wealth capacity of the country, so that it could provide for its people in the medium- to long-term. The key was in developing the country's considerable natural resources in a sustainable manner. Australia wondered about the role of tourism.

On the environment, **Lao** responded that strategies for protecting forest areas were in place. Surveys had been undertaken and 20 conservation areas had been created, where logging was illegal. Also, forest protection funds had been made available from other countries. On bridging the gap between urban and rural areas, he described ongoing efforts to build roads to connect the 47 poorest districts, boost the agricultural sector and create market access opportunities for rural producers. On how the country could become less dependent on ODA, he said the Government had adopted a policy to combine "domestic potential with external strengths". Efforts also focused on balancing the budget and promoting foreign investment. Tourism in Lao was different than in other countries. The country offered mountains, rivers and wildlife, and tourism was characterized by "eco-tourism". The number of tourists which had hit 1.5 million last year was expected to climb, and a long-term tourism strategy had been developed. Today, the country saw its land-locked status as a positive point, and lending had been used to increase its connectivity to neighbours.

Luxembourg

Presenters: H.E. **Jean-Louis Schiltz**, Minister for Development Cooperation and Humanitarian Affairs, Luxembourg.

Luxembourg's development cooperation policy has evolved considerably over the past 15 years. Luxembourg's ODA reached the threshold of 0.7 per cent GDP in 2000. Its ODA reached 0.92 per cent of GDP in 2007 and the Government aims to reach 1 per cent in the coming years. Luxembourg's assistance is allocated in grant form and is entirely untied.

Luxembourg attaches great importance not only to the quantity but also to the quality of its assistance. Although the volume of ODA has increased significantly in recent years, its cooperation programme has maintained a policy of geographical concentration, focusing Cape

Verde, Senegal, Mali, Burkina Faso, Niger and Namibia in Africa, Viet Nam and Laos in Asia and El Salvador and Nicaragua in Latin America.

A policy of sectoral concentration is pursued with a priority to interventions in areas of infrastructure and social services, especially education, health, water and sanitation. In the implementation of the Paris Declaration on Aid Effectiveness, Luxembourg's cooperation programme has endorsed the principles of country ownership, alignment and harmonization. The appropriateness of opting for direct budgetary assistance must be weighed on a case by case basis, in the light of such criteria as transparency of management mechanisms and actual capacity in social sectors to absorb such assistance. Luxembourg has set up regional cooperation bureaux enabling it to be more in tune with its partner countries and thus assist more effectively.

The funding instruments put in place for cooperation with Luxembourg non-governmental development organizations take account of the latter's diversity in terms of size, own financial contributions and structures. Because of co-financing, Luxembourg's cooperation programme can support individual projects by providing a financial contribution determined by their location. For a project in one of the 10 partner countries, the co-financing rate is 75 per cent, while in other countries the rate is 66 per cent.

For the international community, climate change should be tackled head on and made a development priority. Mitigation and adaptation measures must be better integrated into national-level development strategies. Second priority is the current global food crisis. Sustainable agricultural development is indispensable, as well as increasing efforts to ensure food security for all and a renewed focus on biodiversity. The international community must condemn speculation in commodities and stakeholders must re-examine their position on bio fuels. Third, stakeholders must sound the alarm about the unacceptable drop in ODA. Luxembourg called upon the setting up of a timeframe that would lead to the doubling of European delivered ODA to some €66 billion.

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Cape Verde stated that the dedication to sustainable development for all was a prime example of the difference a small European country could make in the international arena. **Finland** said that one of the most impressive achievements of Luxembourg in development cooperation is that since 2000 the share of ODA of GNI has been above the UN target of 0.7%. What have been the main strategies in Luxembourg to successfully increase the volume? What fuels strong public support? Climate change and food crisis challenges require Luxembourg to lead further investments in promoting sustainable development and productive sectors. How will the approach of strong concentration be matched with the need to strengthen new sectors, such as agriculture? Promotion of sustainable development is an example of a challenge that requires coherence in non-aid policies. How does Luxembourg ensure Policy Coherence for Development (PDC)?

Luxembourg responded that the country had set up multisectoral plans to help keep its development assistance initiatives predictable. Political will and political consensus were what had allowed the Government to steadily increase its ODA. Parliament was actively involved in the wider Government's discussions on development aid matters, including in an annual open debate specifically on development cooperation, which also included representatives of non-governmental organizations. Minister worked with about 85 non-governmental organizations and that played an important role in raising public awareness and building a positive public perception about development cooperation. There is not a clear definition of what consists of investment into agriculture.

Mauritania and **Benin** both asked if Luxemburg has any intensions of giving aid to other countries beyond the 10 partners. **Benin** also inquired how Luxemburg picks up the challenge of maintaining its level of commitment in the light of new crises, such as the food and energy crises.

Luxemburg responded that would remain committed to expanding its development cooperation, but it would always keep an eye on the effectiveness of its efforts. To that end, OECD had advised that, in line with the Paris Declaration, Luxembourg had limited its cooperation to a few countries with a view to transferring those experiences and sharing the lessons learned with others. Luxembourg would focus its efforts on countries and regions such as West Africa, where it had partnered with Mali and Niger, among others, on a school feeding programme.

Kazakhstan

Presenters: **Mr. Nurlan Danenov**, Deputy Minister for Foreign Affairs of Kazakhstan

Kazakhstan recently joined the list of middle-income countries. The size of its economy had doubled in the last seven years. On the basis of that economic success, it aimed to become one of the 50 most competitive countries in the world.

Kazakhstan had adopted a long-term development strategy aimed at improving the quality of life of its population by reducing social exclusion, raising the quality of social services, improving the environment, involving civil society in development and strengthening national identity. The strategy identified seven priorities for the country's development: national security; domestic security and social cohesion; economic growth; health, education and welfare services; energy resources; transportation and communication infrastructure; and a professional State. To achieve the strategy, it had designed a number of strategic plans, which together sought to improve the living conditions of current and future generations of Kazakhs.

Challenges faced are child mortality rates and the fight against HIV/AIDS. While income inequalities had dropped, gaps still had to be closed such as regional income disparities.

In order to meet Goal 1, the Government had adopted a poverty reduction scheme and a social assistance programme that, among other things, had introduced pensions in Kazakhstan. In 2006, a minimum subsistence income level had been established and enshrined in law. In order to meet Goal 7 and to include sustainable development in Kazakhstan's national programmes, its legislature had adopted an Environmental Code. For the first time, there was a basis for environmental protection in national legislation. The Government had created 36 intersectoral indicators to balance economic growth with sustainable development. It would hold an environmental conference in 2011 to explore Eurasian environmental cooperation. Other successes included the Aral Sea project, which was rehabilitating that body of water and the surrounding lands. A new drinking water programme had been launched, with a subsequent two-fold increase in budget apportionment. For the Millennium Development Goals, a number of gender indicators had been developed, as had a gender equity strategy through 2016.

Kazakhstan's record of economic growth has resulted in a reduction in volumes of ODA. It was important for the Government to consolidate on the institutional level the achievements of the past few years in the area of development.

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Afghanistan stated that due to Kazakhstan's importance in regional cooperation, especially among landlocked countries, there was a need for a coherent regional initiative to develop transportation infrastructure, regional energy cooperation, trade coherence and border cooperation. For example, the Terrmez-Kabul railroad would enhance regional trade. **Russian Federation** said Kazakhstan represented a region that had experienced a variety of development challenges and its progress was an example for all of Central Asia. Monitoring programmes also allowed for cooperative work in the Aral region. **The United States** said that Kazakhstan had laid a solid foundation for its market economy and future prosperity. Kazakhstan had also been working to develop its democratic institutions and had committed to working closely with OECD to reform its election laws. It had further established its credentials in international leadership.

Kazakhstan responded that it was only through the cooperative relationships Kazakhstan had developed in the region that it had been able to bring in significant investment, which had allowed it, in turn, to meet the Millennium Development Goals.

Belarus asked for more information on Kazakhstan's efforts to broaden its use of renewable energy sources. **Kazakhstan** said that alternative energy sources had become more important in Kazakhstan's national dialogue about its energy policy. Regional cooperation, as well as interaction with United Nations agencies, was allowing the Government to harness the world's experience and refine its technical and scientific expertise about renewable energy sources. The Government had established a legal basis to support renewable energy sources, using the certificate-based strategy that had been used in the United Kingdom.

Finland

Presenter: H.E. Dr. **Paavo Vayrynen**, Minister for Foreign Trade and Development of Finland

Finland stated it was important for developed countries to take part in the NVP as a way of strengthening international dialogue on development issues. Finland's development strategy had been based on the tenets of the Rio Declaration, including social development, economic growth and environmental sustainability.

Finland expressed concern that less attention was being paid to ecological and environmental issues. That was troubling, particularly as the negative impacts of global warming and biodiversity loss were becoming increasingly evident. Further, the development policy dialogue had been reduced to discussions on development cooperation, a relatively narrow agenda. We have to get back to the wide approach and agenda of Rio.

All stakeholders, especially the industrialized countries, must take a close look at sustainability. Thus far, the developed world had followed a development path that overexploited non-renewable resources. That path was not ecologically sustainable, especially since it was serving as a model for some fast-growing developing countries. Profound steps needed to be taken to ensure that patterns of consumption and production were more sustainable and created prosperity for all humankind, based on low carbon dioxide emissions and environmental stability.

Finland focused its development policies on social development and human well-being, with special emphasis on environmental sustainability. Looking beyond the Millennium Development Goals is indispensable to address broader development cooperation issues, especially environmental sustainability and other issues critical to the development needs of its programme partners.

Coherence begins at home. The Finnish Government, with input from a broad group of partners, had crafted a socio-economic growth and development strategy that focused on solutions to society's eco-efficiency and forged new links between environmental and economic policies.

On development cooperation, Finland sought to identify those themes and sectors where it could add value to global development. In bilateral cooperation, it concentrated on fields where it had cutting-edge expertise, such as forest and water management and renewable energy, both of which were linked to key Millennium Development Goal targets.

In the area of partnership and development financing, the importance of the private sector in driving development at the national level is indispensable. Finland backed a multi-stakeholder approach that includes companies and academia.

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United Kingdom emphasis the importance of fulfilling the responsibilities of developed countries in sustainable development. United Kingdom asked how Finnish National Commission on Sustainable Development works and how it takes into account the different interest groups/stakeholders in this issue. UK also asked the basis on which Finland made judgment on how to spend its funds, especially in regards to the 60% bilateral cooperation and 40% multi-lateral cooperation. In response to the question regarding the function of Finnish National Commission on sustainable development, **Finland** said National Commission has been established after the Rio Conference in 1992. The Commission has been fundamental in ensuring a comprehensive approach to sustainable development. It is also the only committee that is set up in developed countries to deal specifically with ecological sustainability, which developed countries should pay special attention to. In Finland, ministers, civil servants, labor unions, NGOs, large and diversified bodies work together to fulfill the Commission's original idea of ecological sustainability. In regards to fund distribution, Finland said its judgment is based on an integrated approach which takes into consideration of internationally agreed principles, needs and requests of partner countries as well as Finnish own expertise. Finnish funding is increasing and Finland stresses thematic and regional concentration in order to make sure that real development can happen. Special attention is paid to Least Developed Countries (LDCs) and countries just out of conflicts.

Tanzania appreciated the good bilateral relationship with Finland who had increased support in Tanzanian National Budget. Reflecting on the relationship, Tanzania stressed the importance of increased aid accountability and effectiveness which allows national ownership and decision-making. Tanzania encouraged Finland and other developed countries to take a comprehensive approach to help sustainable development in developing countries, which focuses on social development and human being. Tanzania also underscored the importance to develop capacity-building to growth and trade, entrepreneurship and healthy business environment in developing countries. Sustainable financing should not only focus on government, but also encourage the participation of various constituencies. NGO participation is within Tanzania national priority and is holding same accountability. Tanzania welcomes Finland to fulfill its commitment to double its aid in Africa. In response, **Finland** said it would act in accordance with EU promise to reach the level of 0.51% of ODA/GNI by 2010 and the ultimate UN target of 0.7% by 2015. Its main focus is in Africa.

Guinea asked if Finland has plans to increase EU level of commitment and reach out to more countries, based on its current concentration in East Africa. In response, **Finland** said that 45% of

its funding is through multi-lateral cooperation which is spreading on a wider basis. Finland also funded more countries through projects by World Bank, EU, African Development Bank and NGOs. Finland has been very selective in deciding its partners, while in the process, it may drop out some countries like Namibia and focus on Least Developed Countries on development cooperation. New instruments of assistance have already extended to more countries to Central America as well. However, because of language barriers, Finland has limited partnership with French-speaking countries in Africa.

Malaysia appreciated the high level of self-criticism of OECD countries and encouraged broader and deeper cooperation with partners. Malaysia pointed out the similarity of partnership between Luxembourg and Finland and asked the criteria Finland used to choose partners in order to avoid donor-darlings and donor-orphans. **Finland** responded that it follows the fair idea of LDCs and it has several instruments that are used in a flexible way worldwide.

Moderator asked regarding aid effectiveness, how Finland balances the dilemma of performance versus outcome. **Finland** stressed the importance of strong policy dialogue with partners. Effective development policy with lasting results must be acted in a sustainable way. Finland said that more convergence of South-South, North-South and Triangular cooperation is needed. Taking forestry for example, more than 1.6 billion people are heavily relying on it for livelihoods; therefore, all forms of sustainability can be taken into consideration. Finland learns from mistakes and redirects its policy in the right direction.

Ethiopia and **Namibia** both complimented on Finland's achievements as beneficiaries of Finland assistance. They both encouraged continuous bi-lateral cooperation with Finland.

Conclusions

The national presentations by *Belgium, Chile, Finland, Kazakhstan, Lao People's Democratic Republic, Luxemburg, the United Kingdom and the United Republic of Tanzania* became an occasion for rich knowledge sharing. NVP has infused new meaning to the Council's mandate to advance and assess the implementation of the IADGs/MDGs, turning them into mechanisms to strengthen accountability for the realization of the internationally agreed development goals.

The key policy messages which emerged are intended to reverberate beyond the ECOSOC Chamber and enrich the development efforts of individual countries, regions, and international development partners. The presentations are captured in the "*Development Strategies that Work*" online database (www.un.org/ecosoc/newfunct/amr/nationalpolicies), launched by UNDESA during the High-level Segment. It aims at complementing the NVPs and supporting its function of sharing lessons-learned and promoting the replication or adaptation of successful policies and programmes.