

**ADDRESS TO HIGH LEVEL ECOSOC SESSIONS
ON ACHIEVING THE INTERNATIONALLY AGREED DEVELOPMENT GOALS,
INCLUDING THOSE CONTAINED IN THE MILLENIUM DECLARATION AS WELL
AS IMPLEMENTING THE OUTCOMES OF MAJOR UN CONFERENCES AND
SUMMITS: PROGRESS MADE, CHALLENGES AND OPPORTUNITIES**

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We can achieve the MDGs without any changes in the quality of life for those living in Sub-Saharan Africa but that would be a hollow and lop-sided achievement. Urgent action is therefore necessary to avert failure and to prevent Sub-Saharan Africa from missing all the 2015 goals. The region is expected to miss the poverty reduction, child mortality and education goals by wide margins; it is the only region where child malnutrition is increasing and where the number of extremely poor has actually increased, from 164 million in 1981 to 313 million in 2002. This level of deprivation, unconscionable and unnecessary, is accompanied by disease, ignorance, conflict and grotesque evidence of man's inhumanity to man.

Globalisation has generated enormous wealth and modern technology has transformed the lives of the rich but two-thirds of the world's population are unable to make a phone call and one-third have no access to electricity. Clean water and sanitation are also not readily available to the poor. But we have the opportunity to make an advance in reducing poverty and we are optimistic with good reason.

First there is the massive groundswell of public opinion in support of pro-poor development. This support is rooted in a yearning for social justice by decent human beings in both rich and poor countries and in the enlightened self-interest of the rich who recognise that they too will be victims if they ignore poverty, disease, ignorance and the abuse of human rights in poor countries.

Second, ameliorating the plight of Africa will be an important item on the agenda of the Gleneagles Summit and a process begun at Kananaskis will be taken forward to deliver practical outcomes for urgent action. We have the know-how and the resources to make poverty history; Gleneagles should provide the will.

Third is the commitment by the G8 to support and fund a hundred percent relief of the multilateral debt of all HIPC's that have reached completion point, and the accompanying commitment by the G8 and other leading industrial countries to increase ODA.

But hope that is not sustained by action soon dies. Action requires that industrial countries follow through on their commitments to increase ODA and to fund debt forgiveness; action requires developing countries to improve governance and remain committed to social and economic policies that target poverty reduction and that promote participation and equity, including gender equity. Action requires that all

countries work together and negotiate rules for international trade that put development at the head of the agenda. For such an outcome all countries must see themselves as partners in the confines of spaceship earth. At the negotiating table the asymmetries of power and influence must give way to the asymmetry of need.

The MDGs will not be attained without more and better aid. We therefore welcome the decision of the EU to double its ODA and the commitment by major European countries to the 0.7 per cent ODA target. But there must be changes. On the part of the recipients increased aid flows need to be accompanied by improved public financial management, accountability and transparency. For their part donors should be able to make multi-year commitments that ensure predictability; they should implement the Rome Declaration on Aid Harmonisation to reduce administrative burdens on recipients and strengthen aid effectiveness; and they should untie their assistance to enhance its value.

More debt relief and more and better aid is of limited value unless the G8 and other developed countries also open their markets to the products of poor countries. We seem only too often to ignore the link between trade and debt but countries that can sell their goods and services at competitive prices in the international market by and large can also pay their debts. Countries with improving terms of trade will grow out of poverty, will transform their economies and will experience increasing levels of economic participation; countries with unfavourable terms of trade will enjoy none of these benefits, they will sink further into poverty and all that accompanies it. Increased trading opportunities are the most potent means of combating global poverty.

Commonwealth Heads of Government have called for the early phasing out of all forms of export subsidies, for substantial reductions in trade-distorting domestic support and for significant improvements in market access. We need far greater ambition in trade negotiations to deliver the development dimension which persuaded developing countries to support a new Round. If the leading industrial nations become preoccupied with managing down the expectations of developing countries we will have little hope of making poverty history.

It is also important to ensure that new arrangements such as EBA and AGOA achieve their intended objectives by addressing problems related to rules of origin and sanitary and phyto-sanitary standards. All WTO agreements must also ensure that special and differential treatment takes full account of supply-side constraints faced by developing countries and the need to mitigate the social costs of adjustment. There has to be political commitment at the highest level to ensure that that there is no disconnect between development co-operation priorities and trade negotiating positions. Leaders cannot promote development while trade negotiators practice mercantilism.

I end by reference to small states, a very important Commonwealth constituency. There is clear evidence that these economies are being marginalised. Their share of world trade and investment has declined and although many are middle-income countries their vulnerability has been aggravated and exposed by the loss of trade preferences and a fall in ODA. Over the last five years their economic performance

has declined. It is important that the special problems of these economies be addressed in the Doha Round, the ACP-EU negotiations on Economic Partnership Agreements and in the international aid architecture. These economies must be provided with adequate adjustment support to cope with the cost of multilateral trade liberalisation.

Mr. Chairman, if we can agree on a more development-friendly international trading system that would be the single most important contribution to achieving the MDGs that we could make. To do so trade negotiations must be driven by fairness and need rather than by might and influence. The justified hope that we all share must now be sustained by positive action. If we act now hope will triumph over despair, if we fail to act the opposite will occur.