



Permanent Mission of Japan to the United Nations

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Statement by Ambassador Shigeki Sumi Permanent Mission of Japan to the United Nations

Informal consultations on the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus General Assembly 8 September 2008

Let me first of all express our gratitude to the Co-Chairs for compiling the draft outcome document. Given the importance of the upcoming Follow-up International Conference and the difficulty of compiling sometimes conflicting views expressed in previous review sessions, the achievement of the Co-Chairs deserves praise. As it feels complete confidence in their leadership and commitment, my delegation is ready to extend them its full support in the upcoming negotiations.

1. Comment on the draft outcome document

The draft document touches upon the responsibilities of developed and developing countries in a manner that is generally balanced. It also addresses difficult issues in language that is nuanced. The sense of balance and shared responsibility is the gist of "the spirit of the Monterrey," which we have to cherish throughout the review process.

I have to say, however, that the draft is far longer than expected: my delegation stressed repeatedly that the outcome document should be short and political in nature, believing that the longer the document, the less its impact. There are quite a few paragraphs we believe can be deleted or streamlined to make the document stronger and more succinct.

2. Negotiation process

Before commenting on individual chapters, allow me to say a few words regarding the upcoming negotiation process.

First, we would like to see a clear schedule and timeline. In order for delegations to concentrate on logistical and other preparations for the Doha Review Conference itself, the negotiations on the outcome document should be finished at least one week before the conference begins.

Second, the negotiation process should be open and transparent, conducted under the able leadership of the Co-Chairs. In this regard, my delegation requests that we enter into negotiations based upon the initial draft. Once they begin, it will present

specific comments on each paragraph.

3. Chapter-by-chapter comments

Let me briefly share with you some of our preliminary thoughts on each chapter. We will go into greater detail at an appropriate time.

(1) Mobilizing domestic financial resources for development (paras. 4-13)

This is a fairly balanced presentation, which puts adequate stress on the importance of efforts by developing countries to mobilize their domestic resources. In order for them to do so effectively, we believe that the first and the most important step to take is empowerment of individuals and communities based on the principle of human security. We appreciate, in this respect, references to human resource development in paragraphs 6 and 9.

Paragraph 7, along with paragraphs 24 and 43, refers to what is called "policy space." It is not appropriate, however, to use this term if the implication is that deviation from international responsibilities and commitments is permissible.

Also, my delegation needs more information on the objectives, advantages and implications of the proposal to upgrade the UN Committee of Experts on International Cooperation on Tax Matters to an intergovernmental body, the duties and the legal status of that intergovernmental body, and possible financial burden to be required by such an upgrade (para. 10).

(2) Mobilizing international resources for development (paras. 14-21)

This chapter, too, is balanced. The catalytic role of the ODA in mobilizing foreign direct investment is in line with the points my delegation has made throughout the review sessions.

(3) International trade as an engine for development (paras. 22-30)

International trade is an important but difficult area to discuss in New York, since it is closely linked to the ongoing WTO Doha Round negotiations. My delegation is ready to offer specific comments, mainly in the nature of factual corrections, but at this point we would just like to point out how important it is to reflect the latest developments in the Doha Round negotiations, in order to send a positive and encouraging message to the negotiators in Geneva.

(4) Increasing international financial and technical cooperation for development

(paras. 31-40)

Many delegations have stated, repeatedly and unequivocally, that the purpose of the review conference is to go over the progress that has been made and not to propose new commitments. Some paragraphs in this chapter raise concerns in this regard. When we discuss ODA commitments, we should adhere to agreed language. It is not advisable in this document to pick and choose among specific commitments and initiatives.

There is no question about the necessity of improving the quality of aid, but some issues listed in para. 34, such as budget support, require further careful consideration.

(5) External debt (paras. 41-46)

This chapter is fairly concise and balanced, but an important element is missing. In order to prevent countries from falling heavily into debt, it is important to encourage all creditors, including emerging donors, to respect international frameworks and give due consideration to debt sustainability. The draft needs to stress this point more clearly.

(6) Addressing systemic issues (paras. 47-58)

Although we understand the difficulty of addressing this area, I must say that since many of the paragraphs in this chapter are on the vague side and of little practical value, streamlining is needed. Also, we have to be mindful of the scope and mandate of the review process. It is not advisable to go too deep into matters relating to the organization of non-U.N. organs. The quota system has its own merits and the purpose of the quota reform is to make it better reflect the latest economic situation.

In addition, international financial and monetary architecture and global economic governance structure must be discussed by an existing framework of experts conversant in these issues rather than by hastily convening a major conference.

(7) Other new challenges and emerging issues (paras. 59-63)

Despite the difficulty and sensitivity of dealing with new issues, this chapter is carefully drafted and relatively balanced. However, more careful wording is required in the discussion of financing for climate change adaptation and mitigation.

(8) Staying engaged (paras. 64-66)

My delegation is of the view that follow-up should be through the existing mechanism; a new mechanism should not be established. By the same token, the proposal on the next review conference needs to be carefully considered.