



**Permanent Mission of the United Republic of Tanzania
to the United Nations**

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**STATEMENT ON BEHALF OF AFRICAN GROUP BY
AMBASSADOR OMBENI SEFUE, PERMANENT REPRESENTATIVE
OF THE UNITED REPUBLIC OF TANZANIA TO THE UNITED NATION**

**AT THE FIFTH HIGH LEVEL DIALOGUE ON FINANCING FOR
DEVELOPMENT, UNITED NATIONS GENERAL ASSEMBLY**

NEW YORK, 7TH DECEMBER, 2011

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(New York, 7th December, 2011)

Mr President,
Excellencies,
Distinguished Colleagues,
Ladies and Gentlemen;

I thank and commend you, **Mr President**, for your leadership in organizing this high level dialogue on financing for development under the theme, “The Monterrey Consensus and Doha Declaration on Financing for Development: Status of implementation and tasks ahead”.

I have the honour to speak on behalf of the African Group, a Group that aligns itself with the statement delivered by the representative of Argentina on behalf of the Group of 77 and China.

Mr President,

The overriding objective of the Monterrey Consensus and the Doha Declaration on Financing for Development, was, and still remains, the scaling up, the leveraging and the improvement of financing for agreed development outcomes, including in Africa.

To be credible, these outcomes have to contribute to the attainment of MDGs and, even more importantly, they have to help create the policy space and build the capacity for sustained and sustainable economic growth and development in our countries.

It is on this basis that we have to evaluate progress, or lack thereof, in the implementation of the Monterrey Consensus and the Doha

Declaration on Financing for Development, both of which depend critically on a global compact of shared but differentiated responsibilities, and of genuine partnership, each side fulfilling its responsibilities and commitments.

Mr President,

African countries, to a large extent, have lived up to most of their commitments made in both forums. These are commitments we would like to renew, including, but not limited to, national ownership of the development agenda, domestic resource mobilisation, sound economic and social policies, good governance and the rule of law, peace and stability.

The results of implementing our commitments are encouraging, and we believe that had there been greater external support, the results would have been even better.

Africa's recent economic growth performance, though uneven, has recovered fairly quickly from the global financial and economic crisis, partly because of rising commodity demand in emerging economies and partly because of continued good economic policies and management.

Despite this recovery, however, growth in many countries remains below the average 7% growth deemed necessary to meet the MDGs. Furthermore, growth has not always meant progress in the ultimate objective of decent work and poverty reduction. Consequently, more effort is needed to accelerate growth across the continent and ensure that it is pro-poor, and that it addresses the special needs of the youth and women.

In many countries there has been notable increase in FDI, especially in the extractive sector. Overall, however, FDI inflows to Africa declined from \$72bn in 2008 to \$58.6bn in 2009 possibly due to the global financial and economic crisis.

Remittances were also affected by the crisis, declining from \$41.1bn in 2008 to \$38.5bn in 2009. However, it is without doubt that remittances have become the most important source of capital flows to Africa after FDI,

accounting for about 7% of African GDP in 2010. We have, therefore, to find ways to facilitate, simplify and reduce transaction costs of remittances.

Mr President,

Many African governments are working hard to mobilise domestic resources, in the context of structural impediments, including a large informal sector, weak institutional capacity, as well as the reality of the poverty of many of their people. In addition, the recent global economic and financial crisis has impacted negatively the capacity for domestic mobilization. In this regard we call for continued support to national efforts on domestic resource mobilization, among others.

Mr President,

While aid to Africa increased by 4% in 2010, the challenge to meet all the commitments made in various development conferences and G8 Summits remains. In addition, we still need to improve the quality of aid, its predictability and effectiveness. The on-going economic and financial difficulties facing developed countries should not be the reason for them not to live up to their commitments to developing countries. We welcome the declared commitments of some of them along these lines, and we urge others to do likewise.

We also welcome the fact that some African countries do benefit from debt relief. We appeal for similar debt relief for those still waiting for this form of support.

Mr President,

Many African countries are working hard to improve their productivity and competitiveness as well as diversify their exports. They want to trade themselves out of poverty. But while support in terms of aid for trade improved over the last few years, the global trade regime remains unfavourable. African economies continue to suffer from unfair trade laws and practices, and marginalisation at the global level, with the continent's share of global trade being 3.1% only in 2009. The Doha Round of trade negotiations, which was expected to end by December 2005, remains stuck and since 2008 has focussed on procedural rather than substantive issues.

We urge progress on substantive issues especially the focus on development.

Mr President,

Africa needs an increased presence and voice in international economic governance, and play its part in reforming the global financial architecture. This requires bold decisions, beyond what we have seen so far. The African Group also reiterates its long standing position on the need for the reform of the international monetary and financial system to enable effective realization of development.

Mr President,

Monterrey was supposed to be a turning point in financing for development. It was a global compact for shared and sustainable development. We can still realise its objectives. Africa will do its part; we ask all partners to do theirs as well.

I thank you.