

New Zealand Permanent Mission to the United Nations



Te Māngai o Aotearoa

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UN General Assembly

FIFTH HIGH LEVEL DIALOGUE ON FINANCING FOR DEVELOPMENT

Statement by

HE Jim McLay

Permanent Representative

New Zealand Permanent Mission to the United Nations

8 December 2011

Checked against delivery

New Zealand welcomes this opportunity to review efforts to achieve the objectives of Monterrey Consensus and the Doha Declaration – a debate that takes place against a challenging economic backdrop. Last year's concern was that economic recovery was fragile and uneven. This year has presented new challenges that potentially affect us all, and which require decisive action.

Official development assistance (ODA) plays an important role in financing for development, and statistics show that, in 2010, net ODA flows from traditional donors reached almost USD 129 billion – in real terms, the highest-ever level. Even so, ODA is under increasing pressure, which means that financial resources from a range of other sources must be mobilised to achieve sustained, inclusive and equitable economic growth, promote sustainable development, and eradicate poverty.

Other flows, such as domestic resources and remittances, will be of even greater importance. While there's potential to supplement traditional financing mechanisms by new partnerships, particularly with the private sector, we must continue to focus on how best to use all existing and any potential new flows. It's not so much a question of quantum – but rather one of how well that funding is used, and the development results we aim to achieve with that funding.

A much greater focus is needed on development effectiveness and donor co-ordination – so New Zealand welcomes the outcomes of last week's Fourth High-Level Forum on Aid Effectiveness held in Busan, Korea; and particularly notes the shift to a broader focus on the various strands of effective development cooperation. Those outcomes recognise the need to modernise, broaden, and deepen cooperation; and to forge more inclusive global partnerships that encompass South-South and triangular cooperation, new forms of public-private partnership and other vehicles for development, as well as maintaining traditional North-South relationships.

Overall, New Zealand welcomes the broader, principle-based approach to partnership endorsed at Busan - an approach with country-ownership and results at its core. We also recognise that effective development cooperation must go beyond finance, to focus on the bigger development opportunities associated with sharing knowledge, and with policy options in areas such as trade, immigration and tax settings.

New Zealand is the current Chair of the Pacific Islands Forum; and is strongly committed to strengthening development coordination in our Pacific region. The Pacific faces significant and diverse development challenges, and New Zealand will continue to shoulder its share of the responsibility to contribute to the financing that Pacific Island countries need to grow their economies and achieve the Millennium Development Goals. Our development support now has a particular focus on initiatives which strengthen sustainable economic development and lead to job creation and increased wealth for communities - particularly in infrastructure, fisheries, agriculture and tourism,

We will increase our efforts to leverage all available forms of finance, and to improve the efficiency of our work and that of our country partners, with the aim of achieving significant improvement in the results of those collective efforts. We welcome and support the Pacific Islands Forum Compact to improve aid effectiveness, including its innovative Peer Review mechanism.

New Zealand believes that trade remains central to economic growth and recovery. One of the most effective steps that could be taken to advance the position of the world's disadvantaged would be to create a framework within which they could trade more effectively, leading to a better future. It is clear that the WTO Doha negotiations are facing challenging times. But we must continue to work to nurture a positive political environment for the successful conclusion of these negotiations that will deliver real reform of global trade, particularly in key areas such as agriculture - as mentioned by Argentina on behalf of the G77. We join others, such as Nepal, speaking on behalf of the Least Developed Countries, and the European Union, which have highlighted the opportunity that next week's WTO Ministerial meeting in Geneva presents to reaffirm our commitment to the rules-based multilateral trading system that has been so valuable in safeguarding trade flows and stemming protectionism for the last sixty years, particularly in times of economic downturn.

Debt sustainability also remains a key issue; and, as we've seen, it is as much an issue for developed as it is for developing countries. New Zealand is committed to continuing its role in addressing this issue, including through our ongoing funding for the Heavily Indebted Poor Countries and the Multilateral Debt Relief Initiatives.

We also recognise and welcome actions taken in other fora. The commitments of G20 and other international partners to maintain a focus on development outcomes, and to refrain from protectionism and take steps to promote and facilitate trade and investment, are all key to recovery and to building resilience to future shocks. Given the global nature of our economic challenges, the G20's willingness to consult with the wider UN membership is as welcome as it is important,

We urge all stakeholders to embrace the core principles of effective development cooperation highlighted at Busan, and to participate in the new global partnership that should result. It's in everyone's interests that we maximise the impact of the diverse sources of finance we considered in Monterrey and Doha, so we can make progress towards our collective development goals.

Those are the objectives, Mr President; and it is our collective responsibility to see that they are achieved.