



PAKISTAN

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Statement

By

Mr. Raza Bashir Tarar,
Deputy Permanent Representative of Pakistan

at the

Fifth High-level Dialogue on Financing for Development

(New York, 7 – 8 December 2011)

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Mr. President,

We thank you for convening this important dialogue. We align ourselves with the statement made by the distinguished Representative of Argentina on behalf of the Group of 77 and China.

At Monterrey, we agreed that our goal is to eradicate poverty, achieve sustained economic growth and promote sustainable development as we advance to a fully inclusive and equitable global economic system. At Doha, we reaffirmed the Monterrey Consensus in its entirety.

As we engage in this Fifth High-level Dialogue to review the status and implementation of Monterrey Consensus and Doha Declaration, our starting point, naturally, is to take stock of our current situation to identify how our commitments at Monterrey and Doha have helped us in achieving our goals and what is required yet, to implement the Consensus fully.

Since Monterrey, a number of developing countries have made commendable progress towards improving the lives of the poor, increasing literacy rates, reducing child mortality and controlling disease. Official Development Assistance (ODA) increased from \$ 53 billion in 2001 to \$ 129 billion in 2010. The debt burden of heavily indebted poor countries has decreased. Some developing countries have increased their share in international trade. A select number of developing countries have also been successful in attracting international capital flows.

The United Nations system as well as development partners have made important contributions to these achievements.

Mr. President,

The progress, however, has not only been less than desired but also uneven within and among developing countries. 925 million people suffered from hunger in 2010. Tragically, 8.1 million children under the age of five died in 2009. Over 2.6 billion people still lack access to adequate sanitation and 828 million people are living in slums. Today, more youth are poor or unemployed than ever before.

Moreover, not all developing countries have benefitted from increased ODA, trade, debt relief and international capital flows. Investments in Africa are limited to the natural resource sector and to some commodity rich countries. The Least Developed Countries have not been able to increase their share in global non-oil trade which remains stuck at 0.33 percent since the adoption of the Monterrey Consensus. ODA delivery has not only never matched the commitments but has also remained concentrated in a limited number of countries and allocated to social infrastructure and services while ignoring productive capacity development in developing countries. A number of low and middle income countries are still exposed to high risk of debt distress.

Mr. President,

Development gains made by several developing countries have been reversed due to the current world financial and economic crisis. Furthermore, the record high level of food prices has devastated the lives of many in developing countries. Energy insecurity and climate change have aggravated development challenges in the developing world.

Mr. President,

The good news is that though our needs are large, our resources are larger. We have the requisite knowledge, resources and tools to open the doors to a better future for the people of our world. Reviving the spirit of Monterrey - of global partnership and solidarity - can help us restore confidence in our ability to triumph over the current development emergency.

There is no gainsaying the fact that improving lives of citizens is, first and foremost, a national responsibility. Pro-growth, people-centric national policies and governance structures are essential for meeting our development goals. Sustained and inclusive economic growth and sustainable development cannot be achieved without sound domestic socio-economic policies and good governance.

Pakistan, like many other developing countries, is alive to its responsibilities towards its people. To address the issues hampering economic growth and development, the Government of Pakistan has recently adopted a National Economic Growth Framework which focuses on four key drivers of growth. **First**, it emphasises the need for market efficiency, mainly through removing unnecessary regulations and barriers to entry. **Second**, it advocates city planning that promotes innovation, connectivity and commerce. **Third**, it focuses on providing young people with necessary education and skills to resolve the issue of youth unemployment. **Fourth**, it highlights the need for improved governance that provides public goods such as security, rule of law, contract enforcement and property rights. Central to our development paradigm are innovation, entrepreneurship and markets.

Mr. President,

National development efforts need supportive and enabling international economic environment. Official Development Assistance is one of the important sources of financing. We had welcomed the commitment of 0.7% of GNI as ODA made by most of the developed countries. We understand that the current grim economic situation has led to budgetary constraints. We, however, agree with the Secretary General that cutting aid will not balance budgets but will hurt the poor, the most vulnerable people of the human family. We, therefore, cannot stress enough, the need for enhanced and predictable official development assistance that is aligned with development priorities of developing countries.

Today, more than ever, a strong partnership between the North and the South is essential as is strengthened South-South cooperation. It, also, is imperative that international capital flows, in particular foreign direct investment be encouraged to reach a wider circle of developing countries. FDI should be attuned with long term economic growth. An effective resolution of unsustainable levels of debt of developing countries is crucial as well.

We believe that the development potential of trade must be unlocked through an early agreement on an open, rules-based and equitable trading system. Alongside, developing countries should be helped to improve their export capabilities as well as diversify their export base.

Innovative mechanisms for development financing are important in mobilising additional resources for financing on a voluntary basis. The ideas such as SDR's link with development financing and financial transaction tax merit consideration.

Mr. President,

We cannot overemphasize the need for an inclusive and equitable international financial and monetary system conducive to development. The voice and representation of the poor and developing countries in global economic decision-making must be increased on the basis of equity not economic strength to ensure that the global economic architecture is inclusive, transparent and responsive to the need of the disadvantaged and the most vulnerable.

Mr. President,

Pakistan looks forward to working with the international community to overcome the implementation deficit in the Monterrey Consensus and bridge the existing gaps to ensure that our efforts are commensurate with our vision. Given its unquestioned legitimacy and representative character, the United Nations should continue to lead our efforts to foster a spirit of genuine partnership.

I thank you.