



**PERMANENT MISSION OF THAILAND  
TO THE UNITED NATIONS**

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**Statement**

**by**

**His Excellency Mr. Norachit Sinhaseni**

**Ambassador and Permanent Representative of Thailand**

**to the United Nations**

**at the Fifth High-Level Dialogue on Financing for Development**

**New York, 8 December 2011**

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Mr. President,

The Thai delegation aligns itself with the statement made by the distinguished representative of Argentina on behalf of the Group of 77 and China, as well as the statement by the distinguished representative of Indonesia on behalf of ASEAN.

Mr. President,

While the world continues to be mired in the current economic and financial crisis, we now find ourselves with only about three years away from the deadline to attain the Millennium Development Goals. The financial and economic crisis continues to take the heaviest toll on the poorest and most vulnerable among us, especially the LDCs.

It has been nearly ten years since the adoption of the Monterrey Consensus in 2002. Since then, the world has faced economic and financial crisis, food crises, skyrocketing price of oil, climate change, natural disasters, youth unemployment and recent debt crisis in Europe. These events have together drastically changed the face of the global economic and political landscape from ten years ago in Monterrey. A crucial question now, is how do we make the Monterrey Consensus relevant in this new challenging context?

In order to put the Monterrey Consensus into today's perspective, it may be helpful to take stock of the lessons learned, and have them help guide us as we try to find the best way forward.

Mr. President,

The past decade has not only shown us that the six themes emphasized in the Monterrey Consensus are all crucial to development. It has also shown that such themes complement one another and should not be taken separately for best results. They are pieces of the same jigsaw puzzle, that is the road towards inclusive growth and sustainable development.

Thailand, like many other in the so often cited East Asian miracles, experienced robust economic growth through an export-led growth model and significant foreign direct investment. The importance of **mobilizing international resources** and **promoting international trade** for development therefore cannot be emphasized enough. The conclusion of the Doha Round is long overdue, and Thailand calls for the prompt conclusion of the Doha Round, with a development oriented-outcome.

However, Mr. President, as important as international trade is, the global financial crisis has also demonstrated that over-reliance on foreign exports can be a source of vulnerability. Hard experience has taught us that developing countries cannot rely solely on external factors, such as exports and FDIs, to drive economic development. Domestic markets must be strengthened to cushion economies against external shocks. Therefore, **mobilization of domestic financial resources** for development deserves serious and immediate attention. Such mobilization, however, must also ensure that the financial resources are evenly distributed to all, including the most vulnerable of the society, in order to achieve a more balanced and inclusive growth and greater resilience on the part of the people. Policies should aim, in particular, to promote employment and decent work and investment in productive infrastructure. The Thai Government attaches great importance to improved access to finance, especially for the most vulnerable sectors in the society. From our experience, we have found that initiatives, aimed at specific groups, such as village funds and funds for women development, are useful tools to ensure targeted development results where people can enjoy direct involvement, and take full ownership of.

Mr. President,

The positive impacts of FDIs can be further enhanced when such investments come with technology transfer, capacity building and upgrading of skills. FDIs must therefore be coupled with **international financial and technical cooperation for development**. Both North-South and South-South cooperation are of crucial importance to development. In this regard, Thailand has demonstrated its commitment to global partnership by extending technical cooperation in our areas of expertise such as agriculture, public health, community development, to our neighbors through regional and sub-regional initiatives. Thailand also recognizes and fully supports the vital role of UNCTAD in promoting capacity building and technology transfer to developing countries. We hope that the upcoming UNCTAD XIII in Doha will yield a fruitful outcome and help address the various challenges in the pursuit of development-led globalization.

Mr. President,

While inflows of foreign investment are beneficial to development, it can be a double-edged sword. Capital flows that are short-term, volatile and speculative in nature often threaten the stability of the domestic economy. It is therefore vital that **fundamental systemic issues be addressed**. To this end, Thailand calls for an increased voice and participation of developing countries in the Bretton Woods Institutions. Such reforms would allow these institutions to prescribe policies that are better suited to the needs of developing countries and enhance the BWI's development perspective. Thailand also supports increased coordination with regional arrangements to enhance regional and global financial stability. Such regional arrangements include the ASEAN+3's Chiang Mai Initiative Multilateralisation (CMIM) - a multilateral currency swap facility designed to supplement existing international financial arrangements.

Mr. President,

As I stated earlier, we have only three years to achieve the MDGs, a concerted global effort, with a common goal of sustainable development and inclusive growth, could help us reach the goals we have set. Thailand deems it necessary to actively continue the follow-up process to the Monterrey Consensus. Only then, can we ensure that the financing for development agenda continues to be relevant and geared towards development for all.

Thank you, Mr. President.