



IRELAND

Statement

by

Mr. Peter Power T.D.

Minister of State for Overseas Development

at the

United Nations Conference on the World

Financial and Economic Crisis and its Impact on

Development

New York, 24-26 June 2009

Check against delivery

**PERMANENT MISSION OF IRELAND TO THE UNITED NATIONS
885 SECOND AVENUE, NEW YORK, NY 10017 TELEPHONE 212 421-6934 FAX 212 752-4726
ireland@un.int**

Mr. President, distinguished delegates,

When we gathered in Doha seven months ago to reaffirm our commitment to global development, we knew that the world faced a financial and economic crisis. Today it is clear that the crisis is more far-reaching and more unpredictable than many had feared. Its impact is being felt in different countries and communities in different ways. It is seriously undermining progress on the Millennium Development Goals. At this Assembly last September, I participated in the launch of the Report of the Irish Government's Hunger Task Force. Our objective then, as it is now, was to highlight the central importance of global hunger and food security, the most basic of the MDGs.

We are very conscious of the severe consequences of the crisis for those in a seriously weaker position than ourselves. For the poorest people on the planet – not least the one billion people who do not have enough food to eat – the financial and economic crisis is becoming a human calamity. Macroeconomic statistics cannot demonstrate the true extent of a crisis still unfolding across the developing world. Growth projections for sub-Saharan Africa are constantly being adjusted downwards. Crucially, private capital flows, which played a key role in the economic growth of recent years in Africa, are drying up. Whole communities are feeling the decline in workers' remittances. Commodity exporters are seeing a sharp drop in revenues, and tourism and other revenues are also declining.

Households across the developing world are facing stark choices. Poor families will have to ask whether they have the resources to meet basic consumption needs and the costs of keeping children in school. Several hundred thousand infants will die this year, many because of malnutrition, as a direct consequence of the economic crisis.

The UN, working with the other relevant institutions, should be given the resources to monitor the impact of the crisis on the poorest and most vulnerable.

The UN has already reported that the volume of global trade is expected to fall by 11 per cent this year – the largest annual decline since the Great Depression. This underlines the need for an ambitious, balanced and comprehensive agreement in the WTO Doha Development Round, which addresses the real concerns of developing countries, particularly the poorest.

Mr President,

In agreeing initiatives to respond to the crisis, we must recognise clearly the need to deliver life-saving results in the immediate term for the most vulnerable people in the least developed countries. The cruel fact is that we need to do so in a situation where budgets for overseas assistance are under serious pressure everywhere. In Ireland, we have had to take the very difficult decision to adjust our budget for ODA in 2009, with the sole objective of providing the macroeconomic foundation and conditions to enable our economy to return quickly to sustainable growth. This is crucial to enable us to resume expansion of our aid programme. In this context, we are maintaining our commitments on ODA targets. We are also maintaining our sharp focus on poverty and hunger in sub-Saharan Africa. And we are ensuring that the fight against the global hunger crisis – accentuated by the economic crisis – is a cornerstone of our aid programme.

This seriously difficult environment challenges us all to recommit to global development, and to ensure that our financial contributions – our ODA – are delivered more effectively and sustainably, with tangible results. The Agenda on aid effectiveness adopted in Accra last September will save lives if it is implemented.