



ITALY

Statement by

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Mr. President, Authorities, Excellencies, Ladies and Gentlemen,

I wish first of all to align myself with the intervention of the Czech Presidency on behalf of the European Union.

The economic and financial crisis calls for a prompt and strong response by the international community – be it at multilateral, regional, subregional or national level – based on the criteria of coherence, coordination and efficiency, and on the values of equity and solidarity. The Outcome Document before us in this United Nations Conference is a most useful instrument along this path. I take this opportunity to warmly thank the two co-facilitators, the distinguished Representatives of the Netherlands and of Saint Vincent and the Grenadines.

The Organization of the United Nations, by virtue of its founding principles and purposes, its universal character and its presence on the ground, is in a unique position to contribute in achieving a recovery on *a new, more stable and more sustainable basis.*

The last twelve months were indeed unprecedented for the magnitude of the financial and economic events. The crisis is both global and systemic. We have witnessed the transition from the sharp hikes of commodities, agricultural goods and oil prices to the hardest crisis since 1929.

Great efforts have been made so far. Substantial stimulus packages are underway, while huge liquidities have been injected. Important processes towards “green growth” are about to be defined. Italy is confident that the decisions agreed upon within the IFIs and those announced in London at the G20 Summit will respond to the most urgent short and medium term needs.

Nonetheless, more has to be spelled out and implemented, in particular to the benefit of the most vulnerable ones and of those who are more disadvantaged in the face of the crisis.

It is by now clear that none of the challenges the world is facing, from the economic crisis to climate change, from food security and development to peace and security, will be effectively tackled without

firm commitments from all sides - developed, emerging or developing countries - by accepting the respective share of responsibility and by contributing to shape new frameworks for a global governance. The governance of globalization needs to be inclusive. This has come up strongly in this UN Conference.

In this context, Italy is called to a specific contribution, namely in its quality of G8 Presidency for 2009. I will refer here specifically to some of the actions that the G8 countries, under Italian Presidency, have decided to conduct in order to support the development agenda and the MDGs, while responding to the economic crisis.

As I said, we are fully aware that the poorest countries and the poorest individuals are most at risk, when even the most basic needs are subject to further strain.

G8 Development Ministers, who met in Rome last 11-12 June, have reaffirmed the commitments on ODA and international assistance made at Gleneagles and subsequently confirmed at Heiligendamm in 2007 and at Toyako in 2008.

We are reserving, in view of the G8 Summit in L'Aquila, a special focus on food security, building on the UN Comprehensive Framework for Action. We hosted the first ever G8 Ministerial meeting of Agriculture Ministers. We are committed to establish, in close cooperation with the UN High Level Task Force on Global Food Security Crisis, the Global Partnership for Agriculture and Food Security, expected to be inclusive and open to all stakeholders, including governments, producers and consumers, civil society as well research and development centers.

Together with food security, ensuring reliable access to water supply and sanitation, promoting global health and advancing towards education for all are the priorities that the G8 will focus upon in order to advance towards the MDGs.

Turning to financial markets, they need to be fully based on principles of propriety, integrity and transparency. To this end, and complementing the actions decided by the G20 in Washington and London, the Italian Presidency of the G8 has promoted the "Lecce Framework", a comprehensive set of

common principles and standards regarding the conduct of international business and finance, to be brought to the attention of the Leaders at the upcoming G8 Summit in L'Aquila. The Lecce Framework, building on existing international initiatives, aims to create a comprehensive framework meant to bring more propriety, integrity and transparency in five areas: corporate governance, market integrity, financial regulation and supervision, tax cooperation, transparency of macroeconomic policy and data. We are committed to make progress with the Lecce Framework, reaching out to broader fora, including the upcoming G20 in Pittsburgh, and to pursue the widest country participation.

It is today evident that no group of countries alone holds the key to tackle climate change. An effective international framework aimed at reducing CO2 emissions to sustainable levels can only be achieved if developed countries and the major emerging economies recognize their special responsibility in addressing this issue from which the future of humanity itself depends, as scientific evidence indicates. The successful outcome of the United Nations Framework Conference on Climate Change, next December, in Copenhagen, will critically depend on this recognition of shared responsibility. Negotiating skills and foreseeable technological breakthrough, although essential, will not be sufficient to the task without a wider commitment.

In line with the principles of the Rome and Paris Declarations on harmonization and on aid effectiveness, and following up to the conclusions of the 2008 Accra Conference on aid effectiveness and of the Doha Conference on financing for development, the G8 countries are proposing to development partners a "whole-of-country" approach to sustainable development, aimed at optimizing the coordinated impact of all sources of finance for development: Official Development Assistance, remittances of migrant workers, domestic resources of Developing Countries, foreign direct investments, trade and debt relief.

In this context, innovative financing is a most important vehicle to contributing, along with traditional ODA, to raise additional resources to tackle the challenges of the economic crisis and to mitigate its impact on development.

This is why the G8 is encouraging the work of the Leading Group on Innovative Financing for Development, the High Level Task Force on Innovative Financing for Health Systems as well as the United Nations and the I-8/LIFE group, which encompasses the existing innovative financing mechanisms.

On this basis, we will work together to further activate innovative instruments, such as, for instance, AMCs and IFFIm, air-tickets solidarity levy, the proceeds from emissions trading, the promotion of public-private partnerships and new forms of voluntary contributions by citizens and private companies.

We heard yesterday and today how important is the contribution to economic growth and development that is stemming from migrant remittances. We strongly believe we have to strengthen the resilience of these flows against the crisis.

The G8 is supporting the initiative of a "Global Remittances Working Group", launched by the Italian Presidency and coordinated by the World Bank, with the purpose of ensuring more reliable data on remittances, favouring more transparent and safer flows, as well as enhancing their impact on development. The G8 will work together with all stakeholders, namely in view to collectively reducing by half the global average costs of transferring remittances, i.e. from the present 10% to 5% in 5 years.

In conclusion, Italy looks forward to actively contributing to the follow-ups of this Conference, starting from the ad hoc open-ended working group, as well as to the different lines of action envisaged in the *Outcome Document*.