



**Statement by Mr. Adolf Kloke-Lesch,
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Federal Republic of Germany, on behalf of the European Union,
on the occasion of the thematic debate
“Financing Development to achieve the MDGs”
(Doha, June 17.-18., 2007)**

Madame President,

I have the honour to speak on behalf of the European Union.

The Candidate Countries Turkey, Croatia and the Former Yugoslav Republic of Macedonia, the Country of the Stabilisation and Association Process and potential candidate Serbia as well as the Republic of Moldova align themselves with this declaration.

First of all, I would like to thank the Government of the State of Qatar for its hospitality in hosting this important event.

We are gathering here in Doha at mid-point between the Millennium General Assembly of 2000 and 2015, the due date for delivery of the Millennium Development Goals (MDGs). With half the time passed we ask ourselves: where do we stand? Are we on track? Well, the picture is mixed, there is light and shadow.

Regionally, there is good progress especially in Latin America, China and India while the challenges remain huge in South-Asia and in Sub-Saharan Africa which remain off track on all the goals.

As to the global achievement on the MDGs, we will probably meet the poverty reduction target, whereas progress on some other MDGs is very slow, with MDG 4 -child mortality- lagging behind the most. According to the 2007 World Bank “Global Monitoring Report”, only 32 out of 147 countries were on track with this goal in 2005. I could also cite education, where we have not made sufficient progress to achieve equal enrolment rates of girls and boys, and where today’s projections foresee net enrolment worldwide to reach only around 87% by 2015. So we must do more.

The Intergovernmental Panel on Climate Change has told us where we stand on climate and ecological sustainability. While the news is bad enough for the world as a whole, Africa is already, and will be even more, the continent most severely affected by global warming. The effects of climate change will be an additional challenge in meeting the MDGs.

On HIV/AIDS, we did manage to stop or even reverse the spread of the pandemic in some countries. But if we want to win the battle against HIV/AIDS and the other pandemics globally we need to increase our efforts now. The G8 countries have shown in Heiligendamm that this is possible. The 60 billion dollars committed to the fight against AIDS, tuberculosis and malaria over the coming years are a clear demonstration that key development issues are high up on the political agenda and command the attention of world leaders.

Resource mobilization is a complex process though, involving all stakeholders, not just donor country governments. In line with the primary responsibility for development which rests with the governments of developing countries, effective and sustainable domestic resource mobilization in developing countries is essential and most effective within a framework of good financial governance and transparency. I think the Extractive Industries Transparency Initiative (EITI) which more and more countries have joined should be mentioned here as highly laudable example. Lasting domestic resource mobilization also requires a stable environment, conducive to economic growth and respectful of human rights. In our context here this is all the more relevant as many MDGs are intimately related to human rights.

Focussing again on Africa, we see that – driven by political and economic reforms – growth in many countries is accelerating and thus helping tackle the pressing challenges the continent faces. What we now need is a vigorous impetus to ensure that this growth translates into meeting the Millennium Development Goals.

The national effort is complemented by trade, foreign investment, official development aid (ODA) and debt relief. The current favourable global economic situation including record growth in many countries also in Africa could facilitate all forms of resource mobilization. This opportunity should be utilized to the largest extent possible. Also in order to make best use of increased resources, we need mechanisms for scaling up and improving aid effectiveness especially at country level in line with the Paris Declaration on aid effectiveness. This includes a diligent and comprehensive needs assessment as well as effective development cooperation structures.

Madame President,

The European Union supports developing countries in all four areas, and on ODA we are particularly proud to have collectively not only achieved, but exceeded already in 2005 the ODA target of 0,39% of gross national income – a target for 2006 which was agreed in Barcelona on the eve of the Monterrey Conference in 2002. In 2005 the European Union has set new ambitious targets for 2010 and 2015. The European Union is currently providing 57 % of global ODA and is committed to reach the target of 0,7 % of gross national income by 2015. I am pleased to note that we are seeing continuing real and very substantial increases in ODA on our way to meet these targets. Against the global trend in 2006, the combined ODA of the EU actually rose by 2.7 % in real terms from USD 55.7 billion in 2005 to USD 58.9 billion. The larger donor community is also well aware of the need of increased efforts. This is the message from the G8 summit in Heiligendamm, which reaffirmed the commitments made in Gleneagles and as already mentioned made significant additional commitments to fight HIV/AIDS and other pandemics. All this is part of a global effort to mobilize resources for achieving the MDGs. This global effort also includes South-South cooperation which – I hope – sooner rather than later will become an integral part with shared values and principles of cooperation for development.

Concerning additional sources of financing, we are pleased to note, that in the shortest possible time, three innovative financing mechanisms have been launched, resulting in an impressive mobilization of resources for development. One is the International Finance Facility for Immunisation (IFFIM), which provides substantial support through GAVI for vaccination and immunisation of children. Another is the air-ticket solidarity levy, which finances sustainable access to affordable drugs to fight HIV/AIDS, tuberculosis and malaria through UNITAID. The third is the Advanced Market Commitments initiative as an attempt to accelerate research for new and effective vaccines which will benefit the poorest countries. Many developing countries and industrialized countries have joined these initiatives.

Also, finding innovative ways of leveraging remittances as an effective source of finance for development – whilst fully respecting their nature as private flows – has attracted increasing attention over the last few years and is bound to continue doing so, as the numbers of migrants continues to grow. Once again in this field, the European Union is building upon successful experiences and strategies, such as simplifying and reducing transaction costs, improving access to financial services and – on a voluntary basis – creating public-private

alliances with the aim of carrying out community-based projects and fostering local entrepreneurship.

Madame President,

I hope the discussions at this meeting will give a further impulse to the Financing-for-Development process on the way to the FfD Conference here in Doha in 2008 and strengthen our collective will to reach the MDGs.

Thank you.