



Statement on behalf of

**The African, Caribbean and Pacific Group of States
ACP Group**

by **H E Honourable Fred FONO**
Deputy Prime Minister and Minister for Rural Development of
Solomon Islands

on the occasion of the

Follow-up International Conference on Financing for Development to
Review the Implementation of the Monterrey Consensus

Doha, 1st December 2008

Excellencies,

Dear Participants,

It is a pleasant duty which has been conferred on me to speak on behalf of the 79 African, Caribbean and Pacific Group of States that constitute the ACP Group, and on behalf of whom I would first like to express my sincere gratitude to the host country for the means mobilised to facilitate our work. Our appreciation goes also to all those who were involved in the organisation of this Conference.

ACP States are also members of various other groupings which have already expressed themselves here or which are still due to do so, but the unique entity they constitute is based on certain specificities, known by all of you, which makes it necessary for us to address this assembly as a group.

Allow me first to convey to you our regret that the draft outcome document of this meeting, as it is now, as also underlined by the Group of 77, does not make clear the implementation deficit of the commitments made in Monterrey in order to be in position to call on the whole community to improve the manner in which they have acted so far.

Our countries cannot ignore this lack of clear reporting, from all the actors, on the results achieved since Monterrey both in terms of the amount and the quality of the Aid delivered.

We would like to insist on the fact that we should leave Doha with the necessary tools for a methodical monitoring of the actions undertaken as part of our mutual commitments, both by aid providers and beneficiaries.

Regarding our commitments, we insist that the outcome text from our discussions here cannot be limited to vague promises by the donors while imposing on developing countries commitments for concrete actions, like fiscal reforms, which by the way they are already really undertaking.

The occasion offered to us here does not allow us to go into the details of each of the thematic chapters considered by the meeting but we would like to highlight some elements which, from the assessment of a diversified and formalised group such as ours, are critical if we want our commitments to be seriously taken.

Regarding the **Mobilization of domestic financial resources**, we accept the request made of us to reform our economies in order to render them more enabling in the generation of resources for financing of development, which we actually are already implementing, specifically in the tax policy area. It is evident that to encourage and support that effort, donors have to announce their clear intention, precise amounts and the

delivery timeframe, which we expect will be as short as possible, to finance for example equipment and modernization of customs and tax services.

As far as the **Mobilization of international financial resources** is concerned, the introduction of innovative funding mechanism should not replace commitments already given which are still to be honoured. The ACP Group is particularly pleased to note the recognition by all actors of the fundamental role played by migrant workers remittances to their home country, and takes it as evident that such recognition can only lead to the alignment of immigration policies to development objectives.

The ACP Group shares the view that **International trade** can be a strong engine for development, but affirms that it should only be guided by transparent rules agreed on by all. In this area the ACP Group must underline the necessity of having coherency between trade policies and development goals and invite Members to avoid taking any market access measure which goes beyond the level requested for consumer protection and which is not supported by scientific evidence. Such measures as the proposed regulations on novel foods deprive the most vulnerable developing countries from trade diversification and development opportunities which are the only justification of their participation in international trade talks.

The ACP Group supports the call for a successful conclusion of the negotiation of the Doha Development Agenda, and calls for the specific interests of its members to be taken into account.

The Group also requests that significant support be immediately identified, with simplified access modalities, in order to guarantee developing countries the necessary means to implement the trade agreements they are negotiating, both within the multilateral framework and in the context of Free trade arrangements (FTAs) such as the Economic Partnership Agreement (EPA).

We remain seriously concerned by the decrease in ODA in the recent years which constitute a clear threat to the achievement of the 0.7 % of GNI target.

Referring to the specificities of the ACP Group, one of them is the unique relationship developed since 1975 with the European Communities, the first official development aid provider. This privileged position allows the us to be in position to comment, criticize, encourage and make recommendation. It is therefore important to note, in the area of **International financial and technical cooperation for development** EU's commitment to a timeline leading to achievement of ODA target of 0,7 % of GNI by 2015. We call on our partners to honour their commitment and to accelerate the pace of delivery if possible and we invite other donors to give equally precise commitments.

The Group underlines the support received from the EC on developing countries' demand to rethink the entire architecture of aid, which has become impenetrable, and echoing the Accra Action plan, demands that all conditionality be removed from aid delivery.

Finally on this subject, the ACP Group stresses the importance of managing for results in aid administration, and expresses disappointment with the fact that development partners still find difficulty in using national financial management and procurement systems.

I now come to debt **management which we want to be more effective** and we note with regret that debt service is still too high in many developing countries. The Group welcomes the EU's proposal for setting up an improved dialogue between lenders and borrowers in order to design an enhanced debt restructuring mechanism. The Group strongly insists on the need for a differentiated approach for debt management, and the generalisation of adapted measures to accompany countries on the basis of their development level and the step reached in debt alleviation in order to consolidate the results specifically achieved by middle income economies which still remain very vulnerable to the various shocks.

Let us now talk about the **reinforcement and adjustment of the monetary, financial and international trade systems**. We call on the whole community of States to ensure coordination with efforts which are being made by the specialised institutions of the United Nations.

We want policy coherence in all areas in order to avoid nullifying the gains from the implementation of development policies.

Regarding the reform of the Bretton Woods Institutions, the ACP Group would like it to go beyond the redefinition of the number of seats or the alignment of member's quota with their relative position in the world economy, and to introduce a decision making mechanism which takes into account the beneficiaries' needs. The Group notes with satisfaction that the African Ministers of Finance and planning and Governors of Central Banks mandated a committee to make proposals in that field.

I would like to end my statement by tackling the numerous **new challenges** which have appeared and which require actions from developing countries and also require increased resources that only our development partners can help us to secure.

On the financial crisis, the Group reiterates that the poorest countries and countries in situation of fragility should not be the victims, and this crisis should not undermine the implementation of commitments in favour of financing for development.

Regarding climate change, ACP countries will have difficulty facing the potentially devastating cost of measures of adapting to the results of climate change. In this regard, the Kyoto Convention and the subsequent process should recognize the fairness issue and provide for a part of these costs to be financed by the countries responsible for most carbon dioxide emissions.

The ACP Group insists on the maintenance of a coherent approach to enable the development of a sustainable biofuels policy which takes into account food security concerns and avoids questioning, on the basis of subjective judgment, the considerable investments already made by some of our countries.

With regards to the Food price crisis, one should recall, as did the ACP and EU parliamentarians recently, that developing countries, many of them net food importers, are the biggest victims of volatile food prices and that there is need to push the issue of food production back up the international agenda.

Apart from the urgent action needed, we call for long term commitments and we underscore the need for joint action to ensure that sufficient aid and public spending are channelled towards achieving food security, as stated in the Maputo Declaration by AU Heads of State and Government in June 2004 and to increase investment in agriculture to achieve 2% growth per year in agriculture, rebuild staple food stocks — which are at all-time lows — and strengthen global monitoring and information systems.

We are clearly in an emergency situation and we cannot postpone the urgent and significant actions needed to address it. We then end as we started by calling for a harmonious, expeditious and comprehensive response, with clear, detailed and balanced commitments supported by an inclusive monitoring mechanism aimed at addressing these problems.

I thank you.

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