

## **INTERVENTION ON TRANSPARENCY AND ACCOUNTABILITY**

**Dr. Paul Oquist, Minister, Private  
Secretary for National  
Policy, Presidency, Republic of  
Nicaragua**

Mr. Chairman-

We fully agree on the importance of transparency and accountability, as well as inclusion and participation, in public policy decision making and execution, including external cooperation. We believe that these same principles should apply to macroeconomic decision making that directly affects financing for development. Thus we question the legitimacy of G-8 and G-20 in that decision making process in that they are ad hoc bodies with no legal status whatsoever. To argue that they represent 85% of the world's GDP does not solve the issue either. In which of national societies would it be accepted for the richest and most powerful interests to meet to define macroeconomic policy for all? Who would consider that accountable, transparent, inclusive and democratic? Why then should we accept that at the international level in decisions that affect all? The problem is not to try to legalize the G-8 or G-20 as we heard this morning but rather to rescue multilateralism, international law, and the United Nations.

We have discussed accountability and transparency now for several years and its time to add to the agenda the South's concerns with the predictability and non-conditionality of ODA. The proposal in the 2010 UNDESA World Economic Report for AID based on the needs of beneficiaries in which long-term financing is channeled to a Trust Fund controlled by the beneficiary country. This would allow for true national prioritization in accordance with national conditions that has been proven time and time again to produce the best development results.

Finally, this concept could be combined with the concept of new forms of financing called for the General Assembly resolution approving the outcome document of the 2009 United Nations International Conference on the Financial and Economic Crisis and its impact on development. These sources could include the financial transaction tax that has been endorsed by many economic authorities to also correct distortions in the financial services sector or an international carbon tax as a response to climate change. It is only with accountable, transparent additional financing that the simultaneous challenges of meeting development and humanitarian financing, as well as the huge world-wide bill for climate change mitigation and adaptation can be met in a predictable and effective manner compatible with the right to development of poor countries.