



*Check against delivery*

**Statement by H.E. Mr. Čekuolis, Permanent Representative of Lithuania to the United Nations and President of the Economic and Social Council**

**Financing Development to Achieve the MDGs  
Doha, Qatar  
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Excellencies,  
Ladies and Gentlemen,

I am honoured to participate in this informal meeting on a subject close to my heart, and a top priority for the members of the Economic and Social Council: “Financing Development to Achieve the MDGs”. On behalf of the Council, I would also like to take this opportunity to thank the Government of Qatar for hosting this important event, which is highly relevant to the preparations of next year Monterrey review meeting, also to be held here in Doha, as well as to the work of our renewed ECOSOC.

The Monterrey Consensus provided the key underpinnings for re-invigorating the international partnership for development. It provided a role for all stakeholders in development, including the private sector and civil society. More importantly, it established that this partnership is based on a principle of mutual accountability between developed and developing countries to achieve real, measurable improvements in growth and poverty reduction. Furthermore, the Consensus also accomplished the following key objectives:

1. It highlighted the constraints to poverty reduction
2. Addressed the means to alleviate those constraints and
3. It underscored the role of the internationally-agreed development goals (IADGs) and MDGs as a tool to measure progress towards the establishment of a truly inclusive global partnership for development.

Since the adoption of the Monterrey Consensus, there have been concerns that the commitments made at the Conference are not being entirely fulfilled. The Monterrey Consensus provided an operational framework to increase resources for development. This included a focus on increasing the domestic resources for the IADGs, as well as greater development assistance in keeping with international commitments. It is therefore natural for me to emphasize that at this session we should focus on how to enhance the efficient and effective implementation of our development goals.

During this year’s meeting of ECOSOC with the Bretton Woods institutions, WTO and UNCTAD, most participants acknowledged the impressive global growth rate of the past few years and its role in poverty alleviation. Most developing countries and countries in transition have done well, albeit due to the fact that the international environment has been favourable. Key challenges for policymakers at this juncture are how to sustain such a robust growth path for the world economy, engender higher growth in more developing countries and, more importantly, how to translate growth into development for all.

Implementing the Monterrey Consensus is crucial to addressing this challenge as it impinges upon financing development. In view of the concerns raised on the slow implementation of the Consensus, I would like to highlight some of the key objectives of the Consensus that need to be addressed urgently. Enhancing governance at all levels is crucial to enhancing development. A broad framework of reference encapsulating the rule of law, sound economic policies, protection of human rights, effective democratic institutions, equitable income distribution and gender equality are necessary. This naturally calls for strengthened bilateral and multilateral cooperation with countries making efforts on those fronts and in enhancing governance institutions. Good governance also implies transparent and fair market rules, effective opportunities for entrepreneurship and provision of adequate infrastructure.

Good governance is also a prerequisite to ensure the effectiveness of official development assistance (ODA) and governance constituted a key pillar of the development cooperation of many donors. Yet, good governance could not simply be imposed from outside; the principles of commitment and ownership by the recipient country is also essential.

At the same time, there should be adequate oversight of the financial sector, in order to prevent financial crises. Sound management of fiscal accounts and an adequate mobilization of domestic resources to provide public services are two key dimensions of good governance. The improvement of tax systems and the strengthening of tax administrations, particularly to combat evasion, should continue to be seen as key tasks of Governments. Another priority is further strengthening of international cooperation in tax matters to, inter alia, improve global monitoring over illicit international transactions and concealment of income and to reduce tax evasion.

An overarching concern is the importance of a successful conclusion of the Doha round of trade negotiations. The success of the Doha round would not only mean new trade opportunities but also a strengthened multilateral trading system. Failure in the Doha round would weaken multilateralism and increase the dependence of developing countries on regional and bilateral agreements. Also, there is a risk that new forms of protectionism would gather momentum.

Regarding aid flows, the decline of ODA in real terms in 2006 is worrying. There is a need to scale up aid flows and donors need to make efforts to abide by the commitments they had made. It was heartening to note the voluntary benchmarks set by the EU leading up to 2015, the deadline for achieving the MDGs. However more needs to be done. Aid effectiveness is a critical factor in international cooperation outcomes. Enhancing that effectiveness involves efforts in many areas, and those efforts should accompany parallel efforts to increase aid volumes. Aid effectiveness can be improved by enhancing ownership, coordination and harmonization of donors, streamlining conditionalities, expanding budget support and by being predictable. I am looking forward for a High - Level Meeting in Ghana in 2008 to take stock of the implementation of Paris Declaration. Efforts in increasing volume and quality of aid are not enough. Innovative sources of financing development also deserve unqualified support.

Lastly, I would like to stress the critical need to improve the voice and participation of developing countries in international economic decision making, not only in the BWIs, but in all bodies that set financial norms or design global policies. While some positive measure have been taken on that front more need to be done, bearing in mind the essence of the Monterrey Consensus.

Dear colleagues,

In order to advance the swift realization of the development agenda and ensure that the success in achieving the IADGs and MDGs is not hijacked by a paucity of funds, we need to mobilize political will and redouble our efforts to make the goals a reality. I strongly believe that the renewed ECOSOC can make an important contribution to this end.

Starting this year, the Council is focusing even more attention on reviewing and monitoring progress towards the realization of the UN Development Agenda, responding to the call made by the 2005

Summit. The two new functions of the Council -- the Annual Ministerial Review and the Development Cooperation Forum -- provide the requisite platforms where country-specific concerns, as well as global challenges can be addressed in an inclusive setting and in a spirit of mutual accountability, cooperation and harmony. The reviews are designed to provide a forum for an exchange of success stories, ideas for improvement, and a free discussion of challenges faced and possible solutions.

The high-level Development Cooperation Forum is mandated to enhance the implementation of the internationally agreed development goals, including the MDGs, and promote dialogue to find effective ways to support it. The DCF is expected to exert a positive influence on the international development cooperation system by bringing together all the relevant actors to engage in a dialogue on key policy issues affecting the quality and impact of development cooperation.

Financing the MDGs is a daunting task, given the challenges of the development process faced by Member States. But it is not impossible. It needs a well thought out plan of action, an implementation strategy and ultimately strong political will.

Above all, we can only succeed in this endeavour if we work together, through partnerships and solidarity. I believe that the global partnership is indeed the crucial ingredient for financing the MDGs. We must act together on the challenges I have briefly outlined, guided by our agreed agenda, and building on the different strengths of countries, international organizations, civil society, and the private sector. Failure is not an option: millions of people depend on our success: let us not let them down.

Thank you.