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PERMANENT MISSION OF THE FEDERAL
DEMOCRATIC REPUBLIC OF ETHIOPIA
TO THE UNITED NATIONS

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**Ethiopia's observations on the Zero Draft of the Outcome Document of
the Third International Financing for Sustainable Development
Conference**

By

**H.E. Ambassador Tekeda Alemu, Permanent Representative of the
Federal Democratic Republic of Ethiopia to the UN, April 13, 2015**

Dear Co-facilitators,

I would like, first of all, to commend you, Co-Facilitators, for the very excellent work you have been doing and for what, in our view, is a zero draft which is very comprehensive and extremely useful. It is a solid document that has real potential to serve as a basis for an outcome document that we would all be proud of. Of course, the final outcome is going to be a result of give and take, as indeed all such intergovernmental negotiations are. The challenges we face are clear, even with the best of intentions. But when there is a deficit in goodwill the going gets even harder.

The Economist said in its March 28 edition that the ambition we have for financing the post 2015 development agenda is "pure fantasy". We believe the Economist is wrong and that we must proceed from the premise that we have no other alternative. It is in that spirit that, while aligning ourselves

with the statements by South Africa and Niger, respectively, on behalf of the G77 and China and the Africa Group, we wish to say the following in our national capacity.

We will have ample occasion later to comment on specific issues covered in the draft document. Therefore, for now our comments are limited to our general views on the draft document and its Section I. It is our hope that the document will contribute to laying the basis for concluding the Addis Conference successfully reflecting the spirit of the Monterrey Consensus, the Doha Declaration, and very critical and fundamental developments since then. Accordingly, I wish to highlight the following:

First, the development landscape and the composition of international finance have significantly changed since Monterrey and Doha. Today, numerous new and diverse public and private new actors are engaged in financing. For the first time in history, the challenge is not shortage of finance, it is how to unlock and channel existing finance. We need to harness the yet untapped potential for greater partnership between public and private finance in support of the SDGs. The consensus that characterized Monterrey is an indispensable foundation to build the Addis Accord. The spirit of Addis must be inclusive and ambitious.

Second, we take it for granted that all member states stakeholders have deep commitment to fighting poverty and promoting social protection for the most vulnerable. We would like the Addis Accord to be remembered for accelerating the campaign to eradicate poverty and hunger and promote sustainable development where no one is left behind.

Our collective commitment to eradicate poverty should be highlighted by measurable targets with regard to equitable economic growth, employment generation, access to basic social services etc. We would welcome the Outcome Documents to have even sharper focus and articulation on poverty eradication.

Third, for many countries in Africa, Least Developed Countries (LDCs); Small Island Developing States and Landlocked Developing Countries, ODA is the largest source of finance for their development and is critical for the eradication of poverty. The most recent ODA from DAC members shows that in 2014 ODA to LDCs fell by 16% in real terms to USD 25 billion. We need a renewed commitment on the allocation of 0.7 per cent of GNI as ODA to developing countries, with 0.15-0.20% allocation to LDCs within an agreed time frame and we welcome that the outcome document has clearly articulated the action to be taken on this important aspects of the Addis Accord.

Fourth, it appears to us that there is already a practice - almost a tradition – which was most clearly highlighted in Millennium Declaration, to give prominence to the special needs of Africa. It is our hope that there would be language reflecting this in the final outcome document and that this will be accorded universal acceptance.

Fifth, Ethiopia fully recognizes and appreciates that all sources of finance are needed for the implementation of our sustainable development objectives and the realization of its ambitious goals. Thus all sources should

be used in a complementary and synergetic manner to maximize the benefits. In this regard, we welcome views in the draft Outcome Document, which has highlighted that ODA in addition its contribution for poverty reduction and expansion of equitable and quality basic services, it has also an important role to leverage and unlock private finance that can be channeled for sustainable development.

Co- Facilitators allow me now to suggest some areas where we believe the draft Addis Ababa Accord could be further strengthened.

- The proposals for new “national sustainable development” plans throughout the document should ensure it relates to use of existing national plans, rather than appear to create a set of new plans. Existing national strategies and priorities should provide this function, which is in line with the aid effectiveness principles already agreed at various international forums.
- The reference to effectiveness of development cooperation, which is an important outcome of Monterrey as well as subsequent global conferences, appears to have been added as an after-thought within the section on international public finance. We suggest it could be more clearly articulated and strengthened.
- While the centrality of domestic resource mobilization and its effective use is adequately covered, the global support required by countries, particularly by LDCs, such as through substantially

increasing ODA and technical assistance for tax and fiscal management capacity, negotiation capacity with extractive industries, controlling illicit financial flows, ... etc. should be equally emphasized.

- The section on domestic and international private business and finance should more forcefully articulate the critical role of domestic private finance and small businesses.
- The specific commitments and responsibility throughout the document could be separately listed in the main text or included as an annex once the commitments have been agreed to for subsequent monitoring and follow up.
- The FfD follow up process should be strengthened. In this regards, paragraph 121 requires more precision and expansion. It is important to reflect on what kind of follow up beside a UN interagency task force and a follow-up FfD conference, should be suggested.
- Greater support and strengthening of the capacity of national data and statistical systems will be critical for the overall monitoring and review of the implementation of this Accord and has to be clearly highlighted with specific actions.

I thank you, Co-facilitators, and we look forward to a productive outcome of this session that will ensure smooth finalization of the Addis Accord.