



THE HASHEMITE KINGDOM OF JORDAN
MINISTRY OF PLANNING AND INTERNATIONAL COOPERATION

JORDAN STATEMENT AT THE THIRD INTERNATIONAL CONFERENCE ON FINANCING FOR DEVELOPMENT

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*HE Prime Minister of Ethiopia (President of the Conference)
President of the 69th General Assembly,
Excellencies Heads of States and Governments,
Ministers, Distinguished Delegates, Ladies and Gentlemen,*

Allow me at the onset to start by thanking our host, the Government and the people of Ethiopia, for the warm welcome and hospitality, and for the excellent efforts in organizing and hosting this conference.

We stand at the precipice of a truly transformative change. On the occasion of this conference, we have the opportunity and the collective responsibility to create the necessary development financing paradigm to mobilize the needed resources to deliver on the promise of the ambitious post-2015 sustainable development agenda, aimed at improving livelihoods, achieving inclusive growth, and addressing climate change.

Despite the concerted efforts and while significant progress has been made since Monterrey in 2002 and Doha in 2008; yet more remains to be done. Many people around the world are still prevented from achieving their full potential as a result of poverty, inequality, and marginalization. There are several shortfalls in international efforts to fully achieve the development needs, providing sobering reminders of the need to substantially step up efforts to meet longstanding international commitments.

Moving forward and while we are all committed to endorsing the Sustainable Development Goals in September, we still need an ambitious plan for financing to translate these goals into implementable actions. This is in itself a great challenge for both the international community and recipient countries, as the cost of achieving these commitments far exceeds current ODA levels and existing funding mechanisms.

The gap in financing that faces developing countries as they seek to implement the SDGs over the next fifteen years is a serious challenge. ODA remains critical for funding the sustainable development agenda for both low and middle income countries. Development aid as well as other official flows need to be smarter and help countries catalyze and leverage all sources of financing towards meeting the SDGs.

This would require greater collaboration among donors, governments, the private sector, civil society and international financing institutions, while at the same time revisiting some funding modalities especially if we are to establish a truly credible and effective development financing system not only for LDCs but also for vulnerable middle-income countries or countries in transition that are severely impacted by regional crises in order to stay resilient, and not to risk development gains and medium-term prospects in terms of meeting SDGs.

Developing countries with the support of the international community would need to unlock additional resources needed to achieve SDGs, and bridge the financing gaps in key sectors of education, health, social inclusion, infrastructure, water, energy, and transport.

We cannot continue with business as usual in financing for development given the ambitious goals, constraints, challenges, and most importantly the limited financial resources. To meet the huge investment needs of the post 2015 sustainable development agenda, we need to collectively work to:

1. Tap into all traditional and non-traditional sources of investments: ODA, public and private, as well as sub-national/national and global finance.
2. Maximize available financial resources, and use these resources to mobilize additional resources, lower costs of resources and mitigate risk to achieve further cuts in costs of financing and attract co-financing and from private sector.
3. Promote and catalyze private flows (DDI and FDI and bonds) and expanding the use of tools to mitigate risk and uncertainty to mobilize non-traditional private financing.
4. Engage and incentivize private finance through supportive business regulatory environment and sound macroeconomic frameworks, which would require open trade policy, efficient and effective tax system, ease of doing business, competitive investment climate conducive to entrepreneurship and innovation, competition, and well-functioning labor markets.
5. Strengthen domestic resource mobilization, which will increase available public funds for financing development; in addition to increasing quality and efficiency of public expenditures to maximize development impact.
6. Strengthen project preparation capacities and provide access to credit enhancement and risk mitigation tools, in addition to co-investment platforms and blended finance and PPPs.
7. Further develop local banking reach, MSME finance, local capital markets and greater access to local currency finance and spread the adoption of environmental, social and corporate governance standards. Key in all of this is enabling developing countries to access development financing systems that add, leverage and pool resources; that manage debt needs with liquidity needs with timelines; that expand the use of risk management tools; and that move towards results-based financing.

I am pleased to report that Jordan is working in parallel on all these issues to maximize resource mobilization for our development agenda and implement the recently launched ten-year socio-economic blueprint for the country, Jordan 2025, which seeks to achieve a prosperous, resilient, and inclusive economy while deepening reform and inclusion.

Furthermore, and in order to accomplish the post 2015 development agenda that we have set, and to fulfill our responsibility towards future generations, we urge the international community to:

1. Increase their ODA allocations to 1 percent of their gross national income by 2020, and to agree to meet these commitments in a timely and predictable manner. In this context, I

would like to extend our appreciation to Sweden's commitment made at the second plenary session yesterday.

2. Improve the eligibility criteria for vulnerable middle-income countries and those in transition to access highly concessional and innovative financing tools as well as trust funds that are not open for countries in this category.
3. Advance innovative financing and promote blended financing to harness resources for development, including scaling up public-private blended finance models in support of new international development goals.
4. Combine financing for development with stronger policy guidance, more effective technical assistance and enhanced capacity building. Support public policies, assist local actors and, finally, catalyze other sources of financing in order to generate powerful leverage effects on investment, essential in achieving the SDGs.

Finally, allow me to shed the light on some of emerging challenges that my region is facing. The Middle East is currently experiencing significant political, economic and social upheaval, which has generated a number of humanitarian crises and dramatically increased human suffering and vulnerability. Such crises will take time and their negative impact will continue to affect our region's sustainable development agenda for the next decade at the least.

The crisis in the region is mostly man made and can only be solved through political solutions coupled with firm international commitments to mitigate and address the impact. In particular, humanitarian issues in the region cannot be dealt with in isolation from other developmental and resilience concerns, since their impact has widespread effects to neighbouring countries' host communities, institutions and systems.

The Syrian crisis, which is currently in its fifth year, has resulted in 4 million Syrian refugees in neighbouring countries in addition to 8 million internally displaced persons. Jordan is now the second largest host of Syrian refugees per capita among neighboring countries, and is the third largest refugee hosting country worldwide. This crisis is not just a refugee issue; but it is also a national resilience issue, particularly for neighbouring countries who together have absorbed the Syrian refugees, as well as the spillover that has wrought havoc on the entire region.

Hosting over 1.4 million Syrians in Jordan, of which only 8 percent are in refugee camps, has heavily impacted the country's fiscal position. Since 2011, the overall estimated financial impact of the crisis, including direct and indirect costs, is estimated at about US\$7.9 billion. Yet, this is excluding the cost of humanitarian or resilience interventions, and accounts for the additional expenditures in education, healthcare, subsidies, and income losses borne by the Government since the beginning of the crisis.

Recognizing this, the Government is spearheading a resilience-based response that brings together humanitarian and development efforts in a single national framework to benefit both refugee and host communities, by developing the Jordan Response Plan.

Currently, the required US\$2.99 billion in the Plan is extremely underfunded, reminding all of the appeal that Jordan issued at the Kuwait III pledging conference last March. Only, 13 percent of the required US\$1.9 billion has been received for the refugee and resilience

programmatic support elements under the Response Plan, while we are working with donors on additional pledges, which at best will not exceed a third of total requirements for 2015.

Taking the opportunity of this conference, it is essential that all options to support countries hosting refugees on behalf of the international community should be employed, reminding all of Jordan's call on the critical need to improve the eligibility criteria for vulnerable middle-income countries to access development assistance and highly concessional and innovative funding tools to assist us absorb the unique destabilizing circumstances and manage our developmental agenda, particularly at a time when we are carrying out a critical global public good on behalf of the region and the world.

The world can continue counting on Jordan remaining an indispensable global partner and safe haven and oasis of stability, in peace making and peace keeping, in inter and intra faith dialogue, in fighting extremism and terrorism; and in pursuing an inclusive, sustainable, evolutionary and comprehensive reform process that strengthens stakeholding, active citizenship, empowers our citizens, raises the standards of living along a path of openness, moderation, respect, and dialogue.

Thank you...