



## **SPECIAL HIGH LEVEL MEETING OF ECOSOC WITH THE BRETTON WOODS INSTITUTIONS, THE WTO AND UNCTAD**

“Coherence, coordination and cooperation on Financing for Development”.

10-11 MARCH 2011

### **REMARKS OF THE EUROPEAN UNION**

- The Special High Level meeting of ECOSOC with the Bretton Woods Institutions, WTO and UNCTAD is a unique opportunity to exchange views and experiences, assess progress made and reflect on our policies, taking into account the interest of all countries and, in particular the most vulnerable, and our shared commitment to reach the MDGs by 2015.
- 2010 was a key year for the MDGs. The UN MDG Summit held in September in New York reconfirmed that the MDGs are still high on the agenda of the international community and reinvigorated political and financial commitments to accelerate progress by 2015. This result is all the more remarkable given the backdrop of the economic and financial crises. During the Summit, we stressed good practices and lessons learnt. But we are still particularly off track on nutrition, child and maternal mortality, as well as sanitation. The situation is especially worrying in Sub-Saharan Africa, as well as in the Least Developed Countries (LDCs) and in countries in situations of fragility and conflict.
- In addition, new challenges are complicating an already difficult situation. Developing countries were hard hit by the succession of recent crises. The issues of climate change and energy, security and fragility, instability and poor resilience to shocks, and food insecurity are becoming even more pressing. This makes it increasingly more important to stick by our promises on development assistance and we will do this with an increased focus on transparency, accountability, value for money and results.
- Together with new challenges, opportunities, as well as new actors and modalities, have emerged in recent years. The dynamism of the emerging economies has injected energy into the world economy. In addition to ODA, new opportunities arise for trade, foreign investments and regional integration.

- It is now essential to follow through the renewed global commitment to the MDGs and to implement what has been agreed. Last year, the EU agreed on a series of concrete actions aiming at: increasing ownership by developing countries; focusing efforts; improving the impact and coherence of policies; mobilising more and predictable financing for development; and making more effective use of development resources. We are committed to deliver on what has been agreed.
- At the same time, we must be open to change. Together, these additional challenges and opportunities have created a new backdrop for development policy. This is why the EU development policy is being reviewed, to see whether more can be done to increase its impact, especially given the urgent need to accelerate progress towards the MDGs.
- The MDGs are at the heart of the ECOSOC agenda and also of EU development efforts and will remain our main priority for the years to come. In this regard, we will aim our actions at:
  - Reaching the EU target of 0.7% ODA/GNI by 2015;
  - Improving the impact of our policies in crucial sectors where specific MDGs are either lagging behind or need a fresh look, such as Education, Gender, Health and Food Security;
  - Considering proposals to mobilise new sources of financing, in particular through innovative mechanisms, supporting partner countries in improving national revenue collection and increasing international cooperation in tax matters;
  - Implementing the aid effectiveness agenda, notably the division of labour;
  - Making Policy Coherence for Development more operational;
  - Promoting local political engagement and ownership of the development processes and MDGs in developing countries;
  - Improving global governance architecture and effectiveness;
  - Involving the private sector in a “partnership for development” and promoting agreed environmental and social governance principles.
- Progress towards the MDGs depends to a great extent on the quality and coherence of development partners' policies. Ownership by developing countries, including through the mobilisation of domestic resources, the creation of a framework suitable for sustainable, inclusive and green growth as a basis for sustainable development, and strengthened fiscal administration, are essential in this respect, as is the promotion and respect of human rights, gender equality, democracy, good governance and decent work. The principles of the Monterrey Consensus, the backbone of the global partnership for comprehensive sustainable development in its three dimensions, and the UN financing for development agenda, remain as valid as they were in 2002 and should remain our main guidance.

- Accelerated action is needed, as well as increased cooperation, better coordination and greater policy coherence for development at global, regional and national levels. Above all, we need a strong and effective UN that, while building consensus and facilitating cooperation on global issues, is able to adapt and respond to new challenges. The UN should fully engage with the debates and outcomes reached in other relevant and complementary fora, such as the G8 and G20 meetings and the meetings of the Bretton Woods Institutions.
- As for the Bretton Woods institutions, in recent years, the IMF and the World Bank have also responded and adapted to new realities in global economic governance in mainly three ways. First, they increased their legitimacy through reforms of voice and representation to take account of the increased economic weight of emerging and developing countries in the global economy and the World Bank's development mission. Second, their resources were increased to make sure they are sufficiently equipped to cope with the current and future crises and to reduce the need for countries to invest in less efficient ways of self-insurance, notably foreign reserve accumulation. Third, they adapted their instruments and priorities, taking into account the lessons from the crisis. The EU welcomes these developments and encourages the BWIs to move forward in this direction and to enhance their engagements and collaboration with the UN system.
- EU also favours an enhanced cooperation between the UN and the G20, with a view to enabling the UN system to better tackle emerging global issues. Through their engagement in key areas of UN activities, the G20 can provide important support and catalytic leadership in development, climate change, or even environmental governance and global health governance. Beyond that the G20 can also provide leadership in financial sector reforms or trade. Enhanced cooperation with the UN system, especially in the implementation of the global development agenda, has enormous potential.

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