

**Statement by Ms. Mervat Tallawy, Executive Secretary of ESCWA  
and current Coordinator of the Regional Commissions  
at the High Level Dialogue of the General Assembly  
on Financing for Development  
New York, 29-30 October 2003**

Mr. President, Excellencies, Distinguished Delegates,

I have the honour to make this statement, in my capacity as the current Coordinator, on behalf of the regional economic and social commissions of the United Nations, namely, ECE, ESCAP, ECLAC, ECA and ESCWA.

As mandated by the General Assembly as well as our respective Commissions, all of the regional commissions have been closely involved in the Financing for Development process, both at the preparatory stage for the Monterrey Conference as well as in its follow-up. The commissions remain active in support of their member States to promote successful negotiations in the Doha Round and to facilitate membership in the World Trade Organization for those developing countries that remain outside its orbit. Perhaps, of greater significance is the fact that because of the in-house multidisciplinary capacities, the regional commissions are uniquely well-placed to integrate implementation of the Monterrey Consensus with that of the other global conferences and, in particular, the Johannesburg Summit and to truly treat it as a development agenda.

Mr. President,

As you are well aware, the global analyses and aggregates, important though they are in their own right, often provide an incomplete picture and hide some of the stark realities, thereby necessitating regional and subregional approaches. Proximity to the field enables us also to undertake more in-depth analyses and facilitate exchange of experiences, both regionally and inter-regionally.

As the Secretary-General's current report on the Millennium Declaration indicates, 37 of the 66 countries for which data were available experienced increased poverty rates during the 1990s. With the recent downturn in the global economy, the situation in many developing countries has grown worse. With the exception of East, Southeast and South Asia, in every

other region, the poverty situation has deteriorated. Even in those regions of Asia that have done relatively better, many pockets remain stagnant or are worse off in absolute terms.

Trade was underlined as the engine of growth in the Monterrey Consensus. It is of utmost importance to improve market access for the developing countries. This particularly requires the elimination of trade-distorting subsidies and the reduction of support measures for agriculture in developed countries. As for financial cooperation, it is crystal clear that Official Development Assistance (ODA) should be increased markedly from current levels in order to stand a chance to achieve the Millennium Development Goals by 2015.

The fact is, development needs financing, investment and, most important of all, opportunities for trade, none of which, unfortunately, are much forthcoming to most of the developing regions. ECLAC estimates that net transfer of resources for that region will be negative for the fifth year running. In Africa, ECA data show that roughly 80 cents on every dollar that flowed into Africa flowed back as capital flights in the same year—suggesting widespread capital flight fuelled by debt. West Asia's share of FDI in 2002 accounted for a meagre percentage of the world's total, and it was channelled to a limited number of sectors, namely oil, gas and tourism. National savings, foreign investment as well as the growth rate in general have decreased due to conflict, war and political instability in the region. Moreover, all the developing regions have been experiencing ever higher levels of public debt—signalling significantly less manoeuvrability in terms of public policy.

There are, however, some new positive initiatives that are forthcoming at the regional and subregional levels. In June 2003, 11 Asia Pacific central banks agreed to pool \$1 billion of their foreign exchange reserves to establish the Asian Bond Fund. Since then, their finance ministers are busy planning for development of local currency bond markets to harness the vast savings for investment of that region. In Africa, under the framework of NEPAD, the efforts by the countries to create an enabling atmosphere for sustainable development have received further impetus. Several of the African countries have also successfully initiated capital market development. Latin America has been a pioneer in making successful experiments with innovative ways of dealing with the pension problem that looms large in most of our countries, developed and developing alike. Arab banks and development funds have increased their financing of infrastructural and mega-projects in the ESCWA region.

In all the regions and subregions, economic integration movements are gaining new momentum. There is wider acknowledgement that a system that relies on networks of global

and regional institutions is both more efficient and more equitable, for which the United Nations provides the ideal platform.

We must generate new momentum to accelerate the pace of development at the country, regional and global levels, and we must keep the interests and needs of the developing countries in the forefront. We need to significantly increase the flow of financial resources, both ODA and private capital, to developing countries and simultaneously remove the restrictions imposed on their exports, particularly of agricultural products.

In conclusion, I would like to indicate that for all of us in the five regional commissions, the follow-up on the Monterrey Consensus is an area of focused and high priority activity in our respective work programmes for the 2004-2005 biennium. We, in the regional commissions, similarly attach high priority to the Millennium Development Goals and regional integration. We, in the regional commissions, will continue to work hard on all these areas, in addition to the integrated follow-up of global conferences, through in-depth analysis, capacity-building, sharing of best practices and exchange of experiences, providing advisory services as well as promoting policy dialogue. In short, the United Nations five regional commissions strongly intend to remain "Staying Engaged".

Thank you, Mr. President.