

EGYPT



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New York

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Remarks

By

Permanent Mission of Egypt to the United Nations

At

**The First Drafting Session of the informal meetings
of the plenary as part of the preparatory process for
the Third International Conference on Financing for
Development
Domestic Resource Financing**

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Distinguished Co-Facilitators

I would like to highlight that the role of domestic resources in financing sustainable development has been recognized by my country; Egypt has taken measures to widen tax base, increase corporate tax, enhance tax administration and rationalize public spending policies to ensure better allocation of resources.

Having said that, the elements paper includes an extensive set of proposals in this regard, which we think is beneficial but one that requires further emphasis on supporting the enhancement of domestic capabilities, and the need to provide more solid figures on the impact of increasing taxes on the level of private investments and the implications of carbon taxes on the competitiveness of domestic industries, and the relationship between adopting such taxes with the availability of sound and environmentally sound technologies.

I would also like to emphasize that our discussions of the importance of domestic resources should not happen in isolation of the discussions of the need for a fairer global trading system that allows developing countries goods market access that reflects positively on their bottom line and consequently on the level of national taxes, it should not also happen in isolation of the need to address the systemic issues that hinder developing countries ability to access international finances.

I would also like to highlight that when it comes to combatting illicit financial flows and repatriation of stolen assets, further commitments must be taken that should address both sides of the equation, studies estimate IFF from Africa at 50 billion dollars, these funds are not channeled to a vacuum but into the developed world financial systems and more concrete commitments must be adopted in this regard. Furthermore, international cooperation in the area of repatriation of stolen assets remains to be an elusive target, a more facilitated approach must be adopted by the developing world.

Thank you