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Financing for Development follow-up

Statement by H.E. Mr. Geir O. Pedersen
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Chair,

Last year we agreed on an ambitious agenda for sustainable development and to eradicate extreme poverty and hunger by 2030. We should be proud of our achievements last year and for setting out a clear vision going forward. But now starts the difficult part of implementing, measuring and evaluating our progress towards the fulfilment of our agenda.

They say what gets measured gets done. Tracking our progress in a credible way requires an updated reporting from all involved stakeholders, and accurate measurements. The annual reporting on progress by the inter-agency task force will be absolute key in this regard.

We, as Member States, should welcome this input and must make sure there is a coherent process where the follow-up mechanisms are closely aligned to the High-level political forum on sustainable development.

We are at a historical turning point where we have set the course for action and implementation. However, we are facing serious economic and humanitarian challenges, and there is a wide gap between needs and resources, especially in fragile states.

This means we have no time to waste. We need to step up our efforts considerably if we are going to reach our ambitious goals.

Yet, I remain confident we can do this. It will require innovative and comprehensive approaches. And this is what we have signed on to in the Addis Agenda. We cannot achieve the 2030 Agenda if we only increase traditional forms of development finance. Of course, ODA will continue to be important, but our follow-up plan must include a coherent strategy to unleash new forms of finance, from all possible sources, and in volumes that far exceed ODA.

ODA cannot substitute private investment or tax revenues as sources of finance for poverty eradication and sustainable development. Rather ODA should be used catalytically, to complement and mobilize more private investment, and to increase much needed investments in infrastructure. Great initiatives are being made now from emerging actors in this field, such as the Asian Infrastructure investment bank (AIIB) and several others that are described in the first report of the Inter-Agency Task Force.

We need more engagement with emerging donors – and crucially – with the private sector. We need smarter ways of using our resources and tools more effectively. The process has already started with many great initiatives that were launched at the Addis-conference, which includes various stakeholders including governments, finance institutions, banks and private sector. We need to keep this momentum going.

Let us also continue to build on the momentum from the MDGs, with the upswing in south-south cooperation we have seen the last decade. As an example, Brazil's international development cooperation grew from 160 million USD in 2005 to nearly 1000 million USD in 2010. And China today, which runs one of the biggest co-operation programs in the south, having already a total of 41 billion USD in concessional funding.

On taxes, we know that only .07% of global ODA is used on efforts to increase the generation of tax revenues. We need to massively scale up these activities. We need to get taxes right.

Strengthened partnerships are needed at the national, regional and global level. We need the involvement of not only states, but the multilateral organizations, the private sector, civil society and academia.

There are several good examples of this: Every Woman Every Child, Sustainable Energy for All, GAVI. The Global partnership for education is another, which has worked in 60 countries with governments, international organizations, private sector, teachers and civil society/NGO groups to deliver quality education for all girls and boys and has helped more than 20 million children access primary education.

These are the types of partnerships that will be pivotal to the kind of transformative and lasting change that we call for in the SDGs.

Let me also mention what I see as an absolute prerequisite for fighting poverty: to provide opportunities for everyone, including for women who account for half of the workforce. The need for inclusive growth has become is self-evident.

And lastly, we need to step up our fight against illicit capital flows. More than 1 trillion USD yearly (2013) is lost every year in illicit capital flows in developing countries. That is seven times the volume of aid. Curbing these flows would free up funds that could be spent on sustainable development, and it is necessary to strengthen revenue collection capacities and legal frameworks so that we can channel this money to that aim.

I fully believe this is our recipe to success, and here, there are no shortcuts.

Thank you.