

PERMANENT MISSION OF THE KINGDOM OF THE NETHERLANDS TO THE UNITED NATIONS

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STATEMENT BY

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at

The High-level Meeting on the midterm comprehensive global review of the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010

New York, 18 September 2006

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We align ourselves with the Statement of Finland on behalf of the EU. The Netherlands has for many years been a major provider of development assistance. We have allocated more than the UN target of 0.7 per cent of our gross national income to official development assistance (ODA) over several decades now. We remain fully committed to continuing our support to LDC's. This should be clear from the fact that the Netherlands contributes 0.25% of its ODA to LDC's, significantly above the UN target of 0.15%. Half of this money was spent in Africa.

A significant number of our partner countries, notably in Africa fall into the category of LDC's. Many of these countries are making enormous efforts to achieve the MDG's through economic growth, improved performance in social sectors and greater focus on issues like governance. At the same time we share the concerns raised in various fora that progress is uneven, despite many initiatives by the countries themselves and support from the international community. For some LDC's , the likelihood of attaining the MDG's by 2015 seems to become more remote rather than coming closer. The shortfalls are especially serious with respect to child mortality, maternal mortality, access to safe drinking water and basic sanitation. Indeed, unless we all rapidly pick up speed, most Millennium Development Goals will not be met by 2015.

Falling aid volumes through most of the 1990s have certainly been a factor. Although this trend has now been reversed, an additional USD 50-60 billion, at least, must be raised annually in order to achieve the MDG's . We need to see a more equal burden-sharing. We call upon developed countries, especially the G8 to actively join in delivering the agreed UN target of 0.7 per cent of GNI. And we also call upon non-traditional donors to step in and increase their assistance. On the policy side, we have learned a good deal about increasing the effectiveness of aid. We have focused our support on poor countries with good policy environments. We have learned that poverty reduction can only be sustainable when economic, social, and ecological developments are **in** balance. Strengthening institutional capacity and stimulating good governance are prerequisites for sustainable development.

Trade and integration into the regional and the world economy are essential preconditions for economic development and poverty reduction. The Netherlands supports an open, rule-based, predictable and non-discriminatory trade system, progressive trade liberalisation and elimination of distorting subsidies and non -tariff barriers. Especially LDC's would benefit fron such a system. In addition, preferential treatment for LDC's, like for example the *Everything but A* rms initiative can contribute to improved trading opportunities. We urge other countries to give LDC's similar trade preferences. In the Doha development round, the EU has put strong emphasis on trade related technical assistance. The EU and the Netherlands have made considerable investments in assisting LDC's in meeting the challenges of the world economy. Trade preferences and ODA are only one side of the coin. The other side is that LDC's strengthen their business and investment climate, and promote a strong and competitive private sector.

More efficient and effective use of existing resources is another area where ¹mportant gains can be made. Improving effectiveness by supporting country ownership and leadership and better co-ordination among donor organisations has already yielded results in a number of countries. Recipient countries should do their part, as we should do ours as donor countries. As developing countries ⁱmprove their policies, institutions and governance, aid will be used more effectively and have inure impact. In the past years, the international aid architecture, including bilateral donors and multilateral organisations, the UN, IFI's and Global Funds has become more and more complex. It has placed an ever increasing demand on the capacity of developing countries. The UN occupies a unique place in this arch tecture with its triple responsibilities for peace and security, developments and human rights. The Secretary General's I High Level Panel on System Wide Coherence provides a unique chance to restyle the way the UN is operating in this aid architecture, especially at country level. In many developing countries the UN is represented by some 10-12 different agencies, all operating their own offices and managing their own programmes. The Netherlands strongly supports a much more streamlined ITN at country level. This streamlining need not be a 'sone' size fits all' prescription, but should be based on the needs and capacity of the country concerned. In countries where capacity is scarce One UN needs to act on the basis of One programme, One budget and preferably one financing mechanism. We look forward to discussing the report of the High-level Panel with our partners here in the UN and at country level.

We must deliver on the commitments from the Brussels Programme of Action. Improving the lives of those living in poverty requires a sustained and comprehensive effort from all of us, developed as well as developing countries.