

Statement by Mr. M. Krishnasswamy, Member of Parliament & Member of the Indian Delegation, On Agenda Item 18: “Follow-Up to and Implementation of the Outcome of the 2002 International Conference on Financing for Development and the 2008 Review Conference” & Agenda Item 17 (b): “International Financial System and Development” at the Second Committee of the 68th Session of the United Nations General Assembly on October 16, 2013

Madam Chairperson,

India associates itself with the statement made by the distinguished representative of Fiji on behalf of G-77.



Madam Chairperson,

We have just concluded the sixth high level dialogue under the auspices of the General Assembly on the follow-up to the Financing for Development process.

In the high level dialogue, the developing countries spoke with one voice on the importance of the timely and effective follow-up to the implementation of the commitments enshrined in the Financing for Development process. They also expressed their continued concern with the lack of progress in advancing discussions on a follow-up FFD Conference. This conference must be held before the end of 2015 to meaningfully contribute to the discussions on a Post-2015 Development Agenda.

In the context of this debate, I would like to highlight **seven** points:

First, the ambition of the post-2015 development agenda would need to be matched by the ambition of the global partnership to support it.

At present, our collective ambition to craft a transformative agenda for the Post-2015 period does not seem to be matched by our commitment for mobilizing enhanced resources and for an enabling global environment conducive for this agenda.

Second, the agenda that we are crafting for the 'Future we Want' is a broader integrated agenda which will require an integrated financing strategy with additional, predictable and stable flows of resources.

The work of the Intergovernmental Expert Committee on Sustainable Development Financing must be seen as a contribution to the wider FFD process for a coherent financing strategy for the Post-2015 Development Agenda.

Third, ODA will continue to play a central role in the post-2015 period. It is particularly important for the poorest and the most vulnerable countries. Estimates suggest that ODA accounts for over half of all external financing available to the LDCs to close their savings gap. In our view therefore, past ODA commitments must not only be met, but also scaled up in the post-2015 period.

Fourth, in the current economic scenario, issues of technology transfer, market access, capacity building and debt sustainability remain as relevant as ever. We must build on the template of MDG-8, even as we take steps to scale up commitments, enhance effectiveness and address systemic issues.

Early completion of the Doha development round of WTO and elimination of trade distorting measures including agricultural subsidies in developed countries remain equally critical.

Fifth, a renewed global partnership must address systemic issues including reform of the institutions of global economic governance and the international financial architecture.

Better regulation of speculative financial flows, improving exchange-rate management, preventing global imbalances and promoting policy coordination must be prioritized.

We need reform of the global financial institutions to give real voice and participation to developing countries.

Sixth, given the enhanced needs, it is clear that we would have to mobilize all sources of finance including innovative ones. We would also need to leverage private capital through innovative public-private partnerships. However, the key principle for this should be additionality not substitution.

Seventh, the enhanced role of South-South cooperation is based on the pre-requisite that developing countries have the policy space for their own development. We need to recognize that South-South Cooperation is in the nature of a voluntary partnership. It is free from conditionalities, recipient driven and characterized by sharing of developmental experience.

It is important that South-South Cooperation is not strait-jacketed in terms of rigid rules or policy prescriptions derived from North-South Aid. The inherent flexibility and adaptability of South-South Cooperation must not be compromised.

At the same time, even as remittance to developing countries has increased substantially in recent years, it cannot be seen anything more than household income. It cannot be passed off as another source of financing for development or as a substitute to ODA.

Finally Madam Chairperson,

In the post-2015 period, development cooperation would have to involve more than merely providing development finance. We must make a genuine effort to create a global system conducive to development itself.

We must ensure an ambitious, scaled-up and comprehensive financing framework for the Post-2015 Development Agenda based on the principles and commitments enshrined in the Monterrey Consensus and the Doha Declaration.

I thank you.

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