



CHECK AGAINST DELIVERY

**Statement to be delivered by the Honourable Dr. Peter Phillips,
MP, Minister of Finance and Planning of Jamaica
to the
THIRD INTERNATIONAL CONFERENCE ON FINANCING FOR
DEVELOPMENT
ADDIS ABABA, ETHIOPIA, 13TH TO 16TH JULY 2015**

**Mr. President
Excellencies
Ladies and Gentlemen**

- I bring warm and fraternal greetings from the Government of Jamaica, led by the Most Honourable Portia Simpson Miller, Prime Minister, and from the people of our country. It is for me a special pleasure to be here, and I extend gratitude to the Government and people of the Federal Democratic Republic of Ethiopia for the warm welcome and gracious hospitality.

- Jamaica supports the statement made by the delegation of South Africa, on behalf of the Group of 77 and China, and by the delegation of Ecuador on behalf of Latin American and Caribbean countries.
- Jamaica welcomes the timeliness of this Conference, the third in a series of international encounters on this subject. This Conference highlights the fact that sustainable development in today's world requires a partnership of all peoples and states. This meeting in Addis Ababa follows strategically on the Third International Conference on Small Island Developing States which was held in Samoa in September 2014, and I am confident that the important link between the two events is evident to us all.

Mr. President,

- One of the undeniable realities of globalisation is that we are all affected, albeit to varying degrees, by developments which take place beyond our borders. The 2008 global economic meltdown had an impact on all of us, with disastrous consequences for some. A country like Jamaica, small in size and population, heavily dependent

on trade, and with an economy already overly burdened by the demands of a limited resource base and closely tied to the fortunes of larger economies in the region, was severely dislocated and is today still feeling the effects of the global recession. Nor are we unique in that regard, as many other CARICOM countries and other small island developing states and vulnerable economies are in a similar predicament.

- It can readily be appreciated, therefore, that the global recession would have retarded our efforts to achieve the objectives of the Millennium Development Goals. Despite this, my country has made appreciable progress in the face of the difficult economic climate in which we have had to operate.
- As we meet on the threshold of the adoption, later this year, of the Post-2015 Development Agenda and the Sustainable Development Goals (SDGs), we must demonstrate that we have learnt from past experiences. The agreement which we expect to reach at this Conference on financing this ambitious agenda for development

must, similarly, be visionary in its reach and impact. It is acknowledged that while there are circumstances which will be outside of our control, there are provisions we can make to insulate ourselves against unforeseen and unanticipated eventualities.

- Accepting that challenge requires us to look to protect those whose situation is most precarious, and who will continue to find it difficult to mobilize domestic resources sufficient to meet their development needs. Special attention must be paid to the least developed countries and the small island developing states, as well as other developing countries with special concerns.

Mr. President,

- A defining feature of the contemporary Caribbean relates to the problem of debt and debt sustainability. On account of the high levels of public debt approximately half of the CARICOM states are either in, or are in negotiations, or have just concluded IMF Adjustment Programmes. These programmes require major efforts at fiscal consolidation, and the implementation of structural reforms aimed at

creating a more propitious environment for sustainable economic growth and development. Currently, according to ECLAC, the English-speaking Caribbean countries have debt to GDP ratios which exceed 50%. In fact, several have debt to GDP ratios in excess of 100%.

- Apart from the high levels of indebtedness, small size, trade dependence and a narrow resource base, Jamaica and other Caribbean countries face extreme climate related vulnerabilities. During the period 1994 to 2014, approximately US\$30 billion of the budgets of Caribbean nations was devoted to reconstruction efforts necessitated by the occurrence of natural disasters. Added to this, the Caribbean region has been most severely impacted by the 2008 global economic crisis, and the effects have been most prolonged.
- The consequence of all this is, that the Caribbean is now the most highly indebted sub-region of the world, and Caribbean states are at risk of being overwhelmed by any unanticipated negative effects of events occurring in the wider global economy. However, because of its

'middle income' status, debt solutions available to highly indebted poor countries cannot be accessed by the highly indebted countries of the Caribbean.

- We also have to recognize that many of our countries will not be able to achieve faster growth and meet sustainable development goals if the **issue of the debt overhang** is not addressed.

The fact is that in the absence of some programme of international support the small, vulnerable, relatively undiversified economic structures of the Caribbean States are likely to be overwhelmed by the risks inherent in a global economy, still suffering the effects of the global crisis of 2008. We therefore urge this meeting to pay specific attention to the issue of debt and debt sustainability, and to recognise the special circumstances faced by the highly indebted and vulnerable small island states of the Caribbean.

- We recognise that some work is being done by relevant organisations in drawing attention to the issue of 'middle income' designation that

prevents access to some support programmes. We continue to call for a more rigorous review of the criteria for graduation for countries and an acceptance of factors that should be taken into account in this regard. The circumstances that exacerbate the vulnerability of countries, their level of development, including their income level and institutional capacity are to be considered. We note the treatment of the issue in the Addis Ababa Plan of Action as a step towards greater acceptance of the principle. The simple fact is, Mr. President, that most of the poor in the world live in middle income countries.

Mr. President,

- It is to the credit of our negotiators that much time and effort have been dedicated to producing an outcome document that reflects our commitment to embrace new and emerging realities. Such is the case in relation to the role of technology in supporting development and in the application of data to bolster our ability to use information more reliably and credibly. As we explore the kinds of technical and financial assistance that should be made available to each country to

support these mechanisms, we must bear in mind their appropriateness to the level of development.

Mr. President,

- A necessary theme permeating this Conference is that of partnership. We have experienced the benefits of the relationship with many development partners at both bilateral and multilateral levels. Jamaica continues to place a high value on the support and assistance which have been provided by developing country partners, as well as the traditional partnerships in which we have engaged across various fields, including with regional and international financial institutions. Such partnerships work in part because they recognise the commonality of our goals, even as they accept the differences in our ability to meet them. That principle, long accepted by the international community, remains relevant in the context in which we are now discussing it, and its acceptance will fuel the completion of our work on the Addis Ababa Plan of Action.

- Finally Mr. President, the real work begins when we leave this historic and beautiful City of Addis Ababa. We all hope to return home with reports of tangible achievements from this engagement. More importantly, we want the assurance that the promises and the commitments will be realised, and that the shared hope for greater prosperity and well-being for all the peoples of our planet will not elude us yet again. This is the *Future We Want* for ourselves and succeeding generations, and the future in which we believe.

- I thank you, Mr. President.

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