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CONFERENCE SUCCEEDED IN REAFFIRMING NEED TO CONTINUE

DEVELOPMENT AID, SAYS SECRETARY-GENERAL'S ENVOY

The Financing for Development Conference in Doha, Qatar, had succeeded in reaffirming that development assistance should continue even throughout the current financial crisis, Heidmarie Wiczorek-Zeul, Germany's Minister for Development Cooperation, said at a press conference this afternoon.

"Now is the time to show that we do not leave the poor in this world aside," said Ms. Wiczorek-Zeul, who is a Special Envoy of the Secretary-General for the Conference, following the agreement on the final text of the outcome document. In all preceding financial crises, development aid had been cut, but this time, partly because of the Conference, it had been shown that it was against all countries' interest to cut back on such aid.

"The conference was and is a success because it shows that the world stands together in the face of the economic crisis," she said, adding that solidarity was important for everyone, but particularly for those in developing countries. The Conference was significant in that it was a meeting not only of special groups like the G-20, but of the entire General Assembly membership of 192. The unanimity on the outcome document was important, representing a Doha consensus that could build on the Monterrey Consensus of 2002, to which the Conference was a follow-up.

She said the outcome document reaffirmed the Monterrey agreement on development assistance, and stated that extra funding was needed because of the financial crisis. Timetables for fulfilling commitments for assistance had also been reaffirmed. Aid effectiveness and quality had become a high priority, which had not been the case in Monterrey. In addition, it urged new donors to join the effort, and stressed innovative financing mechanisms. She herself had emphasized emissions-trading schemes, because the link between development and climate agenda was crucial.

A strong statement on gender equality had been included, because the world was lagging behind in reducing maternal and child mortality, as well as the empowerment of women, she said. In that context, the maintenance of basic services was a priority.

She said the Conference had focused on tax evasion, which had robbed many developing countries of money that could go towards public goods such as education and health. The document reflected agreement that transparency in the extractive sector must be increased and related initiatives commended. Debt sustainability analysis was supported, as were innovative relief schemes such as the Debt2Health initiative that benefited the Global Fund, which was signed by Germany and Pakistan.

(more)

Finally, she said it had also been agreed that many cross-cutting issues were relevant to financing for development.

Asked about advances in foreign direct investment, she said that recognition of its importance in development was included in the document, along with discussion of corporate responsibility. The partnership between the public sector and private sector was stressed, as was the importance of remittances and transparency in natural resource extraction.

She said there was a strong consensus that existing financial structures must be widened. Within the World Bank, for example, there was a movement to ensure better representation for African countries. The African Union should be represented in many more organizations. The high level-conference on the financial crisis, proposed in the draft document, should better focus that discussion. There was a need for inclusive financial reform process. There needed to be more partnership, but there was no blueprint for what a new financial architecture would finally look like.

In answer to other questions, she said there was full affirmation of all existing Group of Eight (G-8) commitments. The text also contained a stronger section on official development assistance (ODA) than in Monterrey. The Conference was not the venue to negotiate trade agreements, but World Trade Organization (WTO) officials were present.

Asked what major disagreements had occurred over the outcome document, she said the real differences in the world could no longer be described by groupings of countries. There was a great need for cooperation because the current crises had hit people in all countries. Official development assistance was, of course, a contentious issue, as was the holding of a conference on the financial crisis under the auspices of the United Nations. It would be better, however, to stress the consensus rather than the differences.

Finally, asked what difference the Conference outcome would make in the lives of poor people, she said: "A conference does not change reality, only action that implements the decisions changes reality."

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