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High-level Dialogue of the General Assembly on Financing for Development

*United Nations, New York
27 June 2005*

Statement by Ambassador Anda Filip
Permanent Observer to the United Nations

Mr. President,

For the IPU and its member parliaments, there are two broad issues that underlie today's debate - three years since the Monterrey Consensus was adopted.

The first, pertaining to developed countries, has to do with generating and sustaining - steadily, and over a long period of time - the political will for more resources to be devoted to international development. In our view, that is the crux of the problem, the main reason why donor countries are behind in fulfilling their commitments. For decision-makers in these countries to be able to commit to the development cause fully and without reserve, in bad economic times as in good times, they must be convinced that it is the right thing to do, and they must know that they have the support of the people.

And here the role of national parliaments, the closest link to the people, is key. Based on the results of a parliamentary survey conducted recently by the IPU, the past few years have seen a bevy of new parliamentary processes unfold in many parliaments, and particularly in donor ones, that indicate more direct parliamentary involvement and reflection in the area of development policy and financing. In many of these countries, parliamentary committees have been set up on the MDGs. More and more members of parliaments are travelling to developing countries to see for themselves how development assistance and other programmes are being implemented.

These and other signs show an increased political awareness of the needs of the developing world within the industrialized countries. There seems to be a momentum growing among parliamentarians and among their constituents of the needs of the developing world. But we must be vigilant not to lose it. The role of parliament will be critical in the next few years to keep development financing high on the domestic agenda through systematic and long-

term processes. This is the only way, for instance, for many governments to agree to an ODA timetable to reach the target of 0.7 % by 2015.

The second underlying issue that we see in this debate has more to do with the developing countries. It is the issue of governance-related capacities. The same survey mentioned earlier suggests that, in spite of progress, there are still a large number of developing countries where decision-making processes, particularly at the parliamentary level, need strengthening.

The Report of the United Nations Secretary-General "In Larger Freedom" urges developing countries with extreme poverty to adopt and begin to implement, by 2006, national development strategies to meet the Millennium Development Goals. This goes very much along the lines of several resolutions adopted by the IPU over the past years. But let us remind ourselves that such strategies will be effective, and lasting, only if they are fully owned. And *ownership* must entail not only governments' decisions but also parliamentary consultation, debate, and scrutiny. In this connection, to this day there appear to be too many instances in which parliaments are not appropriately or sufficiently informed of governmental negotiations with the donor community as well as with international financial institutions such as the World Bank and the IMF. These practices run counter to good governance and do not contribute to coherence and coordination in the design of development plans from the start. The building of parliamentary capacities in developing countries, and especially in those affected by war or civil strife in recent years, must therefore remain a priority.

Mr. President,

The IPU is committed to democracy at the national level, but also within the international arena. To many parliaments, the international trade regime remains fundamentally unfair, resulting in hundreds of billions of lost revenue for the developing world every year. Once again, the problem is political before it is economic: one way to resolve it, in our view, is to bring about more parliamentary awareness of international trade negotiations.

To lead the way toward this goal, we have been organizing over the last few years, together with the European Parliament, a Parliamentary Conference on the WTO. This process, we believe, is bringing about a better understanding of trade negotiations among parliamentarians of both developed and developing countries. It is therefore a form of "aid for trade" that builds capacities, especially in developing countries, to engage parliamentarians in the trade debate and thus relate it to the people. Through this process, as well as in the course of other IPU debates and activities, legislators seek to build greater support among their peers for the elimination of export subsidies, a substantial reduction in trade-distorting domestic support, and market access – especially for LDCs. We hope to make further progress on these issues when the next Parliamentary Conference at the WTO reconvenes on the occasion of the Sixth WTO Ministerial Conference in Hong Kong next December.

Mr. President,

Perhaps the most interesting development in FFD since the 2003 High-level Dialogue has been the growing recognition of the potential for innovative sources to make a strong complementary contribution to the overall financing package for the developing countries. Proposals that only recently were considered unrealistic are now becoming mainstream. To

help bring an impression of the parliamentary view of and support for these proposals, the IPU recently organized here at the UN, with the support of the FFD Office in DESA, a parliamentary panel discussion on the issue. The full report from that event is available in the room, but allow me to highlight just one of the conclusions: namely, that among the innovative proposals under consideration, the International Financial Facility (IFF) and remittances are most likely to garner the required political support at the legislative level in time to make a difference in the attainment of the MDGs.

But there is also another conclusion from that parliamentary panel that is worth relating here: and that is that there is still a long way to go for all innovative proposals to be fully understood and debated by parliaments. What is discussed here at the UN and in other international institutions dealing with the issue has trouble percolating down to national parliaments. This is further evidence for us of the need to involve parliaments in the FFD process. The IPU strongly believes that the chances of success in implementing the Monterrey Consensus, and of achieving the MDGs, may be greatly increased by mobilizing political will and raising awareness among parliamentarians. We look forward to working together with you to that effect.

Thank you.