



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MR. MAHLATSI MMINELE, DEPUTY PERMANENT REPRESENTATIVE OF THE REPUBLIC OF SOUTH AFRICA TO THE UNITED NATIONS, CHAIR OF THE GROUP OF 77, AT THE FfD FIRST DRAFTING SESSION (New York, 28 January 2015)

Co-Facilitators

At the outset let me thank the Co-Facilitators for a substantive Elements-Paper which in their own words they explained that “the elements there-in are no means exhaustive but intended to stimulate further thinking on the main challenges and the most transformative ideas to address them”.

Co-Facilitators rest assured that the Group of 77 and China will actively and constructively participate in this process. It has been a long wait for our Group for this Third International Conference to take place given that the last one was held in Doha in 2008.

Co-Facilitators

The Group of 77 and China concurs that the financing needs for sustainable development are enormous particularly in developing countries. Hence our untiring efforts towards eradicating poverty remain of paramount importance.

Co-Facilitators

In response to your letter of 21 January 2015, the Group of 77 and China would like to submit the following preliminary thinking on your elements, which the Group had also found to be open-ended:

Whilst the intergovernmental negotiated outcomes of the FfD process will have a primary role as inputs on the road to Addis Ababa, the Group also takes note of the value and importance of the Report of the Intergovernmental Committee of Experts on Sustainable Development Financing as well as the Synthesis Report of the Secretary-General.

In terms of

differentiated responsibilities is urgently required. South-South and Triangular Cooperation will remain relevant as a complement to North-South cooperation.

Trade will remain an engine for development and should be at the heart of FfD for developing countries. This will always be elusive to the G77 and China as long as a universal, rule-based, open, non-discriminatory and equitable multilateral trading system is not agreed upon. This should also be one of the key deliverables in the Addis Ababa Outcome Document.

Co-Facilitators, we recognized that you seek to expand the Monterrey Consensus by adding **technology, knowledge and capacity building** as key drivers in the eradication of poverty. This should not affect the discussion on the same issues in the Intergovernmental negotiation process of the Post-2015 Development Agenda. However, disparities between the developed and the developing nations on these elements are so immense that any possibility of an attempt to close them will be gladly welcomed by the Group of 77 and China.

The Group of 77 and China concurs with you that **sustainable debt financing** is an important element for mobilizing resources for growth and development. Hence the Group is eagerly awaiting the Ad Hoc Committee on Debt Restructuring Mechanism to start its work in ensuring that the Multilateral legal framework is established as a matter of urgency.

Important regulatory financial reforms are important so to avert future crises similar to the 2008 world financial crisis triggered in the developed economies which, even today, continues to have adverse effects on small and developing economies of the South. In general terms, developing countries should be supported by an enabling international environment, which includes a supportive and just economic and financial international system where the rules are fair and pro-development. The need to address the following **Systemic issues** within the FfD process is therefore pertinent:

- To continue to reform the international financial system.
- To increase the representation and voice of developing countries.
- To promote regional economic integration.
- To relieve the debt of developing countries.

To ensure easier market access and investment opportunities for developing countries.

I Thank You.