



**STATEMENT BY H.E. DR. JAMES ALEX MSEKELA
AMBASSADOR AND PERMANENT REPRESENTATIVE OF THE
UNITED REPUBLIC OF TANZANIA,
CHAIRMAN OF THE GROUP OF 77 AND CHINA
AT THE OPENING PLENARY OF THE FIRST SESSION OF THE
INTERGOVERNMENTAL GROUP OF EXPERTS ON
FINANCING FOR DEVELOPMENT**

Wednesday, 8 November 2017

Mr. Chair, H.E. Mr. Jaime Miranda, Deputy Minister of Foreign Affairs of El Salvador,
Ms. Isabelle Durant, Deputy Secretary-General of UNCTAD,
Excellencies,
Distinguished delegates,
Distinguished panelists and participants,

Mr. Chairman,

1. At the outset allow me on behalf of the Group of 77 and China to thank the Secretariat for organizing this important meeting and for the background documentation. The establishment of the intergovernmental group of experts was one of the most important outcome of UNCTAD-XIV which better places the organization in the context of the 2030 Agenda and the Financing for Development process, as well as helps to revitalize the intergovernmental machinery.

Mr. Chairman,

2. In this context, we believe the IGE is a way to strengthen the links between Geneva and New York and we expect it to become a regular input that UNCTAD can present to the ECOSOC forum on financing for development follow-up.

Mr Chairman,

3. UNCTAD's specific strength lies in its role as the UN focal point for the integrated treatment of trade and development and interrelated issues in finance, investment, technology, investment and sustainable development, and in its long-standing experience in promoting such an integrated perspective on development issues, including development finance. We believe that this IGE is a unique opportunity to bring this expertise and perspective to bear on the many challenges developing countries and the international community face in mobilising national, international, public and private resources to promote developmental transformation effectively, fairly and inclusively, in particular in the context of a difficult global economic environment and deficient global economic governance structures. These existing structures and arrangements should be reviewed, and improved, through enhanced coordination and cooperation between the United Nations and international financial institutions.

Mr. Chairman,

4. With regards to the range of topics that are going to be covered in this first session, we would like to transmit some general views on our expectations. Illicit financial flows are complex matters that requires cooperation among different agencies at the domestic level and among different actors at international level.

Mr. Chairman,

5. We would also like to highlight and to support UNCTAD's work with UNODC and other organisations to develop the methodology to produce a transparent, comprehensive and reliable estimate of illicit financial flows. We know that this is an ongoing work and would like to hear more about it in our next session including the typology of the flows and the underlying acts which give rise to them.

Mr. Chairman,

6. With regards to taxation in general, we note that modernized, improved and progressive tax and collection systems are key to mobilize domestic resources. We also note that substantial improvements in developing countries might need to take into account spillover effects between national taxation systems and the global reach of the activities of some economic actors, such as multinational enterprises.

Mr. Chairman,

7. With regards to official development assistance, we urge donors to fulfill their respective ODA commitments, including the commitment by many developed countries to achieve the target of 0.7 per cent of ODA/GNI and 0.15 to 0.20 per cent of ODA/GNI to LDCs. We also note the important debates about the modernization of ODA and reiterate the request made in Nairobi, for the UNCTAD Secretariat's active participation in, and contribution to debates about ODA measurements.

Mr. Chairman,

8. With regards to development banks, their role in the promotion of sustainable development should be emphasized. They are able to operate in credit market segments in which commercial banks are not fully engaged, thus overcoming market failures. They also play a key role in providing countercyclical lending. This is particularly important to supporting macroeconomic stability in developing countries, which are more exposed to procyclical exogenous shocks, dynamics and vulnerabilities. Furthermore, increases in the capital base of multilateral development banks should be considered as a way to improve their important contribution to financing and implementing sustainable development.

9. Let me conclude by saying that we look forward to listening to the contributions from the panelists and to a rich debate among our experts.

I thank you Mr. Chairman.