



UNITED NATIONS GENERAL ASSEMBLY  
(64<sup>th</sup> Session)

STATEMENT

by

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Ambassador and Permanent Representative

**PERMANENT MISSION OF SAINT VINCENT AND THE GRENADINES TO THE UNITED NATIONS**

ON BEHALF OF THE CARIBBEAN COMMUNITY  
**(CARICOM)**

at the

**4<sup>th</sup> High-Level Dialogue on Financing for Development**

March 23, 2010

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Mr. President,

I have the honour to speak on behalf of the Member States of the Caribbean Community (CARICOM). CARICOM aligns itself with the statement made by the Republic of Yemen on behalf of the Group of 77 and China.

CARICOM continues to believe that the United Nations, with its universal membership and legitimacy, must be empowered to play a much greater role in economic and financial matters. We therefore welcome the convening of the 4<sup>th</sup> High-level Dialogue on Financing for Development. As we reflect on the theme for this dialogue “*The Monterrey Consensus and Doha Declaration: status of implementation and tasks ahead*”, few can be satisfied with what has been achieved so far, particularly in terms of the fulfillment of commitments to support the development aspirations of developing countries. Promises by developed countries of increased official development assistance (ODA), a more development-oriented trade system, expanded debt relief and greater democracy and transparency in international decision-making and norm-setting, largely remain unfulfilled. For example, eight years to the day after the lofty pledges of the Monterrey Consensus, we are left to wonder about the sincerity of commitments to ODA, as the majority of developed countries continue to fall woefully short of the benchmark that they voluntarily assumed – to much fanfare – in Mexico.

On the other side of the ledger of the global partnership for development, developing countries have taken primary responsibility for their own growth and development. We have strengthened good governance practices, combated corruption and have put in place enabling domestic environments to promote private-sector-led growth.

CARICOM exemplifies these achievements by developing countries and we have gone even further by creating a Single Market with a supporting institutional framework, and are making good progress towards establishing a Single Economy. Yet our region continues to experience deteriorating terms of trade, declining levels of official development assistance and foreign investment, an increasing debt burden and discriminatory and unfair threats to key income generating sectors such as international business and tourism. These challenges have all worsened during the financial and economic crisis, and are further compounded by the high levels of vulnerability of the CARICOM countries, including frequently occurring natural disasters such as earthquakes, hurricanes and drought, as well as the increasingly adverse impacts of climate change.

Our efforts to effectively integrate into the global economy are continually inhibited by an international economic environment not sufficiently prepared to pay appropriate attention to the special needs and vulnerabilities of the small developing middle-income States of CARICOM. We reiterate the need for further consideration of these issues within the framework of the FFD process. In our attempts to enhance the coherence and consistency of the international monetary, financial and trading systems in support of development, we must bear in mind the need for differentiated support and targeted assistance to small-highly indebted middle-income developing states, and other vulnerable groups of States.

Mr. President,

Our region continues to grapple with the effects of the global economic and financial crisis. Our economies largely remain in recession, as revenue from our main income and foreign exchange generating sectors such as tourism continue to decline. This has resulted in a significant decrease in aggregate demand throughout the region, higher unemployment and a worsening of the fiscal position and debt situation of most CARICOM states. The short and medium-term economic forecasts remain bleak as we will continue to feel the lagging effects of the crisis for sometime to come.

Many of the ameliorative measures that need to be taken in response to this crisis are not new; nor are they in dispute. The Outcome of last July's Conference on the World Financial and Economic Crisis and Its Impact on Development, which was adopted by consensus, reflect international agreement on the steps that we must take. Among these steps are an expansion of access to concessionary financing in response to the crisis. Factors other than capita GDP must be used given that it is a poor indicator of economic sustainability. Highly indebted middle-income countries that are also highly vulnerable to external shocks and which face significant sustainable development challenges should be granted access to concessionary loans and financing from the IFIs to help mitigate the impact of the economic crisis.

In this regard we welcome the commitment given by the World Bank at the 21<sup>st</sup> Inter-Sessional Meeting of the Conference of Heads of Government of the Caribbean Community, in Roseau, Dominica, on 11-12 March 2010, to encourage other International Financial Institutions (IFI) to make CARICOM countries eligible for access to concessionary loans based on well known vulnerability and resilience factors, since per capita income by itself is not an adequate indicator of a country's capacity for sustained development. This promise must become a reality if our region is to rebound from the crisis.

The effect of the crisis on our tourism sector has been made far worse by the imposition by an Air Passenger Duty by one of our major tourism centers. Our Leaders recently reiterated their collective concern over the deleterious effect of the Air Passenger Duty on tourism, the Community's most important economic sector, and its related service industries, and pointed out that the 'band' in which CARICOM Member States has been placed is unfair, discriminatory and places the region at a competitive disadvantage.

The imposition of this duty as well as the threats to our international business sector through unfair and discriminatory targeting of small developing country offshore financial services jurisdictions represent clear examples of the lack of coherence and consistency in the global economic system. They also represent a growing insensitivity to the needs and concerns of the smallest and most vulnerable members of the international community, who are without a seat and a voice when matters affecting their interests are being decided on by the large, the powerful and the rich. This runs counter to the spirit and intent of the global partnership for development envisaged at Monterrey as well as Goal 8 of the MDGs.

CARICOM remains concerned over the growing tendency of limited membership groups assuming decision-making powers on issues affecting the entire international community, without the consent or involvement of that community. We stand to squander the opportunities for creating a fair and more equitable system of global governance if responsibility for rule making and decision-making remain vested in limited membership groupings, which are accountable only unto themselves and do not give due considerations to those who are severely affected by their actions. CARICOM does not sit at the table of the G8, the G20 or the OECD, yet the decisions of these exclusive gatherings send shockwaves through our local economies and often have direct negative impacts on the lives and livelihoods of our peoples.

Mr. President,

CARICOM reiterates its call for the timely completion of the negotiations of the Doha Development Round to ensure the fullest realization of the development dimensions of the Doha Work programme. The continued delays in the negotiations jeopardize the delivery of development promises for developing countries. We therefore urge all major negotiating partners to demonstrate flexibility and engage constructively to facilitate early conclusion of the Round in a manner that places development at its core. Within this context, it is our expectation that the development dimension of the Round will include inter alia, the following:

- Increase in effective market access in areas of export interest to the region;

- Genuine recognition of real asymmetries between developing and developed countries which are determined by several factors including the size of our economies, supply capacity as well as institutional and regulatory capacities;
- Real sensitivity towards the adjustment concerns resulting from trade reforms and liberalization; and
- Full support and adoption of the proposals tabled by the group of small, vulnerable economies.

Mr. President,

Before concluding, CARICOM would also like to take this opportunity to highlight the urgent and acute financing for development needs of our sister State of Haiti. The heroic people of Haiti are struggling with the fallout of an earthquake of epic proportions. While the international response has been strong and welcome, much more needs to be done. While Haiti is awash in pledges of support, there is an urgent need for these pledges to materialize as soon as possible. CARICOM further calls on International Financial Institutions and partner countries to offer assistance in the form of budgetary support to the government of Haiti. This crisis is a once-in-a-lifetime event, and cannot be confronted with 'business as usual' policies.

Mr. President,

CARICOM remains convinced that if the benefits of globalization are to be shared by all, the international community must deliver on promises made at Monterrey and elsewhere on trade, development assistance, debt relief and on strengthening the international financial system. You can be assured of CARICOM's continued support and engagement in this process as we seek to ensure the full implementation of the Monterrey Consensus.