

**STATEMENT AT THE OPENING SESSION OF THE MINISTERIAL PANEL
MONDAY, JULY 22, 11:00-13:00**

Distinguished Co-Chairs;

Distinguished Ministers, delegates and guests;

This forum provides a valuable opportunity for an open exchange at a high level in the run-up to the 4th Conference on Financing for Development, to reflect on the implementation of the Addis Ababa Action Agenda and explore the most effective ways to close the widening gap in resource mobilization towards the achievement of the Sustainable Development Goals.

The current financial architecture is not designed to meet the needs of the countries of the South. Its comprehensive reform is a long-standing demand that cannot be put off further. Discussions on this issue should take place within the UN framework, for them to be truly inclusive.

One step in this direction would be to redesign and recapitalize Multilateral Development Banks, which would contribute to increase concessional financing.

Immediate action is also needed to address the unsustainable external debt that is dragging most developing nations into a complex macroeconomic situation. An inclusive and effective solution, with the participation of all creditors, is needed to provide the countries of the South with billions of dollars from their own domestic savings, which could be invested in their own development.

The current governance system, whose genesis dates back to almost a century, does not reflect the reality of today's multilateral structures. A change in this direction must involve, among other aspects, a reform of the structure of governance of international financial institutions. The voting system based on economic or financial power is deeply discriminatory.

Besides, inclusive and effective platforms for designing and debating international fiscal rules and norms are needed at the UN.

The international trading system also requires profound reforms. Developed countries must stop artificially increasing the burden of exporting to developing countries with the implementation of unjustifiable and discriminatory tariffs. In this regard, we emphasize the need to strengthen special and differentiated treatment as a multilateral principle.

We hope that this first session of the Preparatory Committee will muster, as a

matter of urgency, the political will necessary to address the accumulated needs of the South in terms of financing for development.

Thank you very much