



The
Bahamas

**STATEMENT
BY**

**SENATOR THE HONOURABLE JAMES SMITH
MINISTER OF STATE
IN THE MINISTRY OF FINANCE
OF THE
COMMONWEALTH OF THE BAHAMAS**

**AT THE
HIGH-LEVEL DIALOGUE ON
FINANCING FOR DEVELOPMENT
OF
THE UNITED NATIONS GENERAL ASSEMBLY**

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Mr President,

At the outset, The Bahamas would like to endorse the statement made by the Honourable Delano Franklyn of Jamaica on behalf of the Group of 77 and China.

The Bahamas welcomes the opportunity to participate in this year's High-level Dialogue, as we view the occasion as an important opportunity to bring us a step closer to fully implementing those commitments made at Monterrey three years ago. The Monterrey process is indeed a useful and valuable framework for pursuing global development in a coherent and coordinated manner. Now it is up to us, the international community, to produce the concrete actions necessary to achieve the goals that we have set for ourselves.

The Bahamas is also pleased that the Dialogue is being held at this time, as the issue of development is one that we believe should figure prominently in our approach to the High-level Plenary Meeting of the General Assembly in September. It is hoped that through our deliberations here, we enable our Heads to adequately address the development question, not as an adjunct to security, but as a central pillar, requiring equal yet specific attention. We anticipate that the September Summit will focus on the broad-based development agenda, giving appropriate attention to the full implementation of the outcomes of all the major UN summits and conferences.

In this connection, The Bahamas applauds your efforts, Mr President, and those of your facilitators, in preparing the draft outcome document for the September Summit. We acknowledge, in particular, the inclusion of many issues critical to developing countries within the development cluster of the proposed document and hope that the views expressed during this Dialogue will serve to assist you and your facilitators in your laudable efforts to encompass the diverse interests of all Member States.

Mr President,

I would like to take this opportunity to thank the Secretary-General and the President of ECOSOC for the documents prepared to inform our deliberations here. They indicate, in no uncertain terms, the work that has to be done, and resources to be mobilised by both developing and developed countries in support of development. For our part, The Bahamas has continually shown its commitment to meeting the challenges

of financing for development. Over the past few years, we have made a concerted effort to enhance our economic and social infrastructure, improving our strategic policy frameworks and national accounting systems, enabling the creation of innovative structures in support of entrepreneurship and private sector development, as well as bolstering our legislative frameworks in the fight against corruption and money laundering.

The Bahamas has also embraced the opportunities presented by globalisation, making the necessary investments in human and physical capital, to enable an innovative and productive economy. We, however, continue to face daunting challenges posed by our smallness and its attendant vulnerabilities. Furthermore, our attempts to build resilience are constrained by global governance and systemic imbalances, which frustrate meaningful integration into the global economy. In this regard, The Bahamas reiterates the need for further consideration of these issues for all developing countries within the framework of the Monterrey process.

Mr President,

The issue of reform of global economic governance to strengthen the voice and participation of developing countries in international economic decision making and norm setting is of critical importance to The Bahamas. There is a definite need for concrete, realistic proposals to ensure the effective, permanent representation of developing countries, particularly small developing countries, in international economic, trade and financial institutions, including the Bretton Woods Institutions and the World Trade Organisation (WTO), as well as other bodies like the Financial Stability Forum (FSF), the Financial Action Task Force (FATF) and the Basle Committee.

The Bahamas acknowledges, with optimism, the growing momentum to introduce balance and evenness into the processes that govern several international institutions. We welcome existing initiatives, such as the work programme on IMF quotas and the work of the WTO to make the negotiation processes more inclusive and transparent. In addition, special reference must be made to positive developments in the area of international cooperation in tax matters, namely: the proposed expansion of the OECD Global Forum to involve all significant financial centres of the world; the current assessment of information sharing and transparency practices in all OECD and other significant financial to determine how level the playing field is

in these areas; and most importantly the establishment of the Committee of Experts on International Cooperation in Tax Matters within the ECOSOC.

The establishment of this Committee, Mr President, ensures that the interests of all Member States, but particularly those of the small developing States of the United Nations (UN) with different tax regimes, will be factored into discussions and recommendations aimed at adopting mutually agreed standards that do not unduly favour the wealthy nations at the expense of meaningful development in non-OECD member countries and jurisdictions. We look forward to the finalisation of the composition and structure of this Committee, and to a more inclusive approach that examines all forms of taxing regimes within the UN's membership.

Mr President,

Regrettably, there has been less positive development in other standard setting-bodies, most notably the FATF, and the FSF, where in the latter instance we have seen a resurgence in the use of negative listings as punishment for non-compliance with standards set in the absence of the accused. In the case of the FATF (the anti-money laundering and anti-terrorist financing standard setters) there is continued unilateral actions taken "in camera" by the membership of that body without opportunities for condemned jurisdictions to face their accusers and defend their activities. Where is the fairness and transparency in such processes? It is for this reason that The Bahamas values the Monterrey process and the mandate to address systemic issues such as these. In this context, we urge a greater role for the UN in all aspects of global standard setting and assessment. The case of the small developing country must be heard in an objective and open forum. Our continued sustainable development depends on this fundamental entitlement, and we look forward to dialogue in this regard.

I thank you Mr President.