Excellences, Ladies and Gentlemen,

It is a pleasure to welcome you to OFID’s headquarters and the beautiful city of Vienna. Let me first acknowledge in this respect the tireless efforts of the Netherlands co-chair and its negotiating abilities which have made this conference possible.

Our gratitude goes also to the Joint Secretariat for its diligent servicing of the GPEDC and for preparing the second monitoring report and facilitating its discussion today.

We are also pleased that H.E. Macharia Kamau, Ambassador and Permanent Representative of Kenya to the United Nations in New
York and the Chief Negotiator of the Nairobi Outcome Document, is able to join us and we look forward to his views on the Outcome Document in particular.

We are honoured to host your discussions on the role of providers and on the significance of effective co-operation in the context of the SDGs.

In my introductory remarks, I shall say a few words on where we stand today as a development community. I shall also make some comments on our agenda to emphasize its relevance and in particular the way it contributes to the GPEDC Second High Level Meeting. I shall close my introductory remarks on the contribution of the Arab Coordination Group and the perspective of the Group on the 2015 Development Agenda.

Ladies and Gentlemen,

In the course of preparing this conference, we deliberated the context of our development work from a provider’s perspective as well as that of developing countries. I shall make some observations in that respect.

The story is one of changes and evolutions.
Indeed, deep, economic, social and political transformations are taking place in our partner countries; in particular, the aspirations of the poor and the under-privileged for a better life are more pressing than ever: witness today’s flows of forced migration in life-threatening conditions.

Closer to our mandates, we observe that the development finance landscape is changing and with it, the community of cooperation providers. The new landscape comprises more emerging countries and new trade and investment power-houses. It also includes the private sector acting on commercial bases or in public–private partnerships.

The cooperation values and their drivers have also evolved. Traded and public goods are more readily integrated, and development strategies that mix the provision of funds, policy frameworks and the promotion of capacities are more readily recognised.

It is important, and timely, that as providers, we take stock of these changes and understand communalities and differences in this new
context. We need to define **what effective cooperation** means for us and for our Partner countries now that we have, in the SDGs, a reference framework for all.

Ladies and Gentlemen,

**Let me now say a few words on where we stand as a development community.**

Throughout 2015 and earlier, we, the development providers and the development stakeholders, on the one hand, and the international community on the other, have deliberated on the **development needs of our world.** We have drawn on the lessons of the past, notably the MDGs, and we are recognising people’s aspiration for a better life. These deliberations were **wide-ranging and informed by expert analyses.** The results are of historical significance: We have now

- a **development model** built on defined Sustainable Development Goals.
- the foundations of **a financial model** based on the Addis Ababa Action Agenda.
- **promising conclusions** on climate change as of COP 21.
The challenges of the 2030 Agenda are numerous, complex and pressing. No less than 17 Sustainable Goals were needed to reach a consensus among a broad community of stakeholders. More than a simple quantitative economic model, the SDGs have taken into consideration the quest for a quality of development. For that, the SDGs specify stand-alone goals and define across the board targets which reflect the concern for inclusiveness, justice and equal opportunities.

The challenges are even more pronounced when funding options are addressed. SDG 17 and the Addis Ababa Action Agenda acknowledge the scale and the ambition of the 2030 Development Agenda and the need for unprecedented levels of financial resources, official and private, foreign and domestic. The mobilisation of these resources requires invariably reforms and attractive investment regimes. These need institutionalizing by a capable administration that enjoys the support of fund providers, and national and global stakeholders.

Ladies and Gentlemen,
Turning to the object of our conference, we can state confidently that it is important and timely. Being a conference of providers, its conclusions are of critical consequences to the developing countries and its timing has much bearing on the outcome of Second High Level Meeting due to take place in two months’ time.

The true value of the conference, as indeed stated in its agenda, is in the discussion of what development cooperation providers can, or should, contribute concretely towards the fulfilment of the SDGs and the implementation of other aspects of the 2030 Agenda.

We are invited to discuss the role of the GPEDC as an institution. We believe that it must be re-appraised in the light of the developments that have taken place since Busan and the track record of the institution. In Busan the discussions revolved around the questions of what development should be and how its processes should be conducted.

We believe that the definitions of SDGs and their holistic formulation provide an answer to the “what” question. A partial answer to the “how” question is provided by the Busan move from observing aid effectiveness to that of development effectiveness. This move was
of great consequence; nonetheless, the “how” question remains with us and, it goes to the heart of the GPEDC rationale. We will also be discussing the second monitoring report. The report is a major deliverable of the GPEDC. Its discussion by the providers in this conference, and the conclusions of the regional workshops, will give us an insight into the track record of the institution.

Our view is that the GPEDC must be seen to complement the arrangements envisaged by the UN system for the deployment of the 2030 Development Agenda. But its true importance is in its capacity to bring value to Partner countries’ technical and institutional capacities in the context of the new agenda.

In short, with regard to the conference and the agenda, we believe that the issues raised are relevant and that we need a consensus on them. I look forward to your deliberations. I do believe that the time has come for a clear statement (in the draft communique of Nairobi and beyond).

Ladies and Gentlemen,
Let me now turn to the contribution of the institutions of the Arab Coordination Group to their Partner countries, and the position of the group with regard to the SDGs.

As you certainly know, the Arab Coordination Group is a consortium of Arab bilateral and multinational development institutions and the Islamic Development Bank and OFID. The institutions of the group have in common a majority of shareholders. They harmonise key policies and co-finance operations.

As development agencies, the institutions of the Coordination Group have been providing development funds to low and middle income countries for over 40 years. The institutions of the group are committed to the Busan principles of country ownership, transparency, effectiveness and results.

In Busan and in Mexico City, they committed to enhancing their financial contribution to the development of their Partner countries. The records show that they have lived up to their commitments. In
the period 2011-2013 each institution of the group has managed a growth of over 10% in signed commitments. In 2014 the commitments of the group reached **USD 10.85 billion**, a level comparable to the regional development banks. In 2015 commitments grew to **USD 13.60 billion**, an increase of 25% over 2014.

As to use of funds, **infrastructure** is invariably the main target of the institutions’ operations. However, **conscious of the need for effectiveness** in the use of limited resources, they also provide funds for **enhancing technical knowledge and building institutions.**

The institutions of the group work together and with other development institutions. They are **committed to international cooperation.** They stood by the Monterrey consensus and adhered to the principles of the Paris Declaration. They contributed to the Busan process which led to their joining the Steering Committee of the GPEDC. Naturally they have been preparing to play an active role in the mobilisation of resources for the 2030 Development Agenda.

The Heads of Institutions of the group **adopted in January 2016 a formal declaration in support of the 2030 Development Agenda.**
They agreed that the 17 development goals and the 169 related targets reflect appropriately the economic, the social and the environmental features of **sustainable development** and underwrite fully the overarching objective to **eradicate poverty, restore dignity and promote shared prosperity**.

They concluded that, taken together, the SDGs have the potential to **enhance the welfare of the developing countries** and meet the aspirations of their people for prosperity. In conclusion of their declaration, the heads of institutions called on the institutions of the group to:

- assist in the formulation of national SDGs;
- Commit to an **active role in global and local partnerships**;
- Encourage dialogue among Partner countries and promote **South-South Cooperation**;
- Commit to a broad regime of **support to building Partner countries’ technical and institutional capacities**.

Ladies and Gentlemen,
We believe that the policies and the core activities of the institutions of the Arab Coordination Group converge well with the goals and the narrative of the SDGs; the operations of the Group span the entire spectrum of economic and social sectors and include, where needed, debt relief. With this experience and a tested policy framework, the Group is well prepared to support national SDGs and country-defined priorities.

I thank you for your attention and look forward to your conclusions.