



PERMANENT MISSION OF
THE DOMINICAN REPUBLIC
TO THE UNITED NATIONS



PRESIDENTIAL COMMISSION ON THE
MILLENNIUM DEVELOPMENT GOALS
AND SUSTAINABLE DEVELOPMENT

**14th Session of the United Nations Commission on Sustainable Development (CSD-14)
Statement by the Representative of the Dominican Republic**

Date: 4 May 2006

Session: Thematic Discussion: Accelerating industrial development for poverty eradication
Delivered by: John R. Gagain Jr., Executive Director, Presidential Commission on the Millennium
Development Goals and Sustainable Development (COPDES)
www.copdes.gov.do

(Translated from Spanish to English)

Mr. Chairman

I would like to congratulate you for your leadership during this session as well as to all those panelists who have made presentations today.

First, I would like to say, that all countries, without a doubt, aspire accelerated industrial development that works to eradicate poverty, especially due to the Millennium Development Goals, which include the 50% reduction of poverty, however, in order to accelerate Industrial Development we have to combat this vicious circle created by poverty. Social investments in education and in health could be a great contribution to Industrial Development as we have seen today as a result of all of our colleagues' interventions.

You asked us Mr. Chairman to express some key constraints. First, for the Dominican Republic, as a middle income country, it is important to speak of the "pockets of poverty" that exist, particular the communities of extreme poverty in our country that suffer from poverty in its various dimensions.

One of the key constraints, which is priority number one for us, is the "Brain Drain" that leaks from these impoverished communities, known in English as "Brain Drain", the flow of knowledge from these communities.

Also, the second constraint is "migration"—this brain drain that is encompassed within "internal migration" from these communities towards our capital in the Dominican Republic, Santo Domingo—as well as "external migration". Citizens with capacity and knowledge migrate to cities like New York, which is home to more than 1 million Dominicans that encompass our Diaspora.

The Dominican Republic spends annually more than 2.5 billion US dollars in order to fulfill its fuel needs, an amount of money, which represents approximately 35% of our national budget.

We have listened today to the importance, as I have mentioned, of investing in concrete social interventions, however, when we have the challenge of having to commit ourselves to spending 35% of our national budget on our energy needs, due to importing 100% of our combustibles, this presents a problem where we cannot make the



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those aforementioned investments that are needed for our people, particularly those who live in the rural areas. We use diesel and bunkersee gas in order to generate electricity.

Another constraint refers to “Infrastructural Development” as a means of serving as a facilitator for “Industrial Development” in a developing country, where, as a result, His Excellency Dr. Leonel Fernández, President of the Dominican Republic, in his second administration, has created Provincial Development Councils, primarily to overcome these constraints. These local Councils work to promote key infrastructure projects in local communities and for strengthening Industrial Development while keeping in sync with our work towards achieving the Millennium Development Goals.

We have conducted a Costing Analysis with the technical assistance of the U.N. Millennium Project as well as the U.N. Country Team in the Dominican Republic, and in addition, according to national statistics, we have achieved an economic growth rate of 9.3% of GDP in 2005.

Finally, Mr. Chairman, Dr. Davidson has mentioned, as have other representatives here today, the importance of capacity and capacity building of developing countries like those of the Dominican Republic.

My question here is, “What type of capacity?, Capacity for what?”

Because Dr. Davidson mentioned that developing countries like ours need better capacity for negotiating with large corporations in the context of energy.

Mr. President, we know that countries like the Dominican Republic cannot compete with the investments that large companies make in Research and Development (R&D) for renewable energy, therefore, as Dr. Davidson ha mentioned, we do not have the ability to effectively negotiate in order to achieve the “kick-start” needed to achieve sustainable energy solutions.

Therefore, we believe that in the future a key contribution of this Commission on Sustainable Development during this session would be to define this “kick-start” that is needed, for countries like the Dominican Republic and other fellow developing countries, due to the fact that we would need to do so in order to achieve and accelerate industrial development.



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Finally, I would like to thank the United States for having mentioned the Dominican Republic, which has become part of the USAID Alliance to Save Energy's Energy Efficiency Industrial Partnership (EEIP), of which I had not had personal knowledge, however, as Director of the Presidential Commission on the Millennium Development Goals and Sustainable Development, a Commission on the President that is cross-sectoral, I will ensure that all institutions, nationally in the Dominican Republic, take advantage of these initiatives and others like it.

Thank you very much, Mr. President.

(Texto Original)

Sr. Presidente,

Quiero felicitarle por su liderazgo en esta sesión así como a todos los panelistas que han hecho sus ponencias hoy.

Primero, quiero decir, que todos los países, sin duda, quieren acelerar y facilitar el desarrollo industrial para erradicar la pobreza, especialmente frente a los Objetivos de Desarrollo del Milenio, los cuales abarcan la reducción de la pobreza un 50%, sin embargo, para poder acelerar el Desarrollo Industrial tenemos que combatir este círculo vicioso de la pobreza, es decir con las inversiones sociales en la educación, en la salud, estas pueden hacer un gran aporte al Desarrollo Industrial como hemos visto hoy después de todas las intervenciones de nuestros colegas aquí.

Usted solicito de nosotros Señor Presidente, algunas obstáculos principales, primero, para la República Dominicana, como uno de los países de medio ingreso, es importante hablar de los puntos, las comunidades de pobreza, particularmente de pobreza extrema, en nuestro país se sufren de varias dimensiones de pobreza.

Uno de los obstáculos principales, como numero uno para nosotros, es el Flujo de Conocimiento desde estos puntos de pobreza o desde estas comunidades, conocido en ingles como "brain drain", el flujo de conocimiento de estas comunidades.



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También, como numero dos esta la migración, este “brain drain” que contempla la migración interna desde las comunidades hacia la capital de la Republica Dominicana, Santo Domingo y la migración externa, flujo de ciudadanos con capacidad y conocimiento hacia ciudades como Nueva York que es asiento a mas de un millón de dominicanos que forman nuestra diáspora.

La Republica Dominicana, anualmente gasta más de 2.5 mil millones de dólares para satisfacer sus necesidades combustibles, lo que representa aproximadamente el 35% de nuestro presupuesto nacional.

Hemos escuchado hoy la importancia, como yo he mencionado, de invertir en intervenciones sociales, pero cuando tenemos este desafío o compromiso de gastar el 35% del presupuesto nacional en energía, por razones de que nosotros importamos el 100% de nuestros combustibles, se presenta el problema de que no podemos satisfacer las necesidades de la población, particularmente en las partes rurales, con respecto a la electrificación, porque para promover la electrificación usamos gasoil o diesel y bunkersee como combustibles para generar energía y electricidad.

El Desarrollo Infraestructural es otro obstáculo para facilitar el Desarrollo Industrial de un país, pero por eso nuestro presidente, el Excelentísimo Dr. Leonel Fernández, en su segunda gestión, ha creado Consejos Provinciales de Desarrollo principalmente para superar estos obstáculos, estos consejos trabajan en la fomentación de obras claves para las comunidades locales y para el Desarrollo Industrial y con una sinergia para cumplir con de los Objetivos de Desarrollo del Milenio.

Hemos hecho el Análisis del Costeo con la asistencia técnica del Proyecto del Milenio de las Naciones Unidas y también con el Sistema de Agencias de la Naciones Unidas en la Republica Dominicana y con esto en el año 2005, conforme a cifras nacionales, hemos logrado un crecimiento económico de más de un 9.3% de PIB.

Finalmente Sr. Presidente el Dr. Davidson ha mencionado, como varios representantes aquí hoy, de la capacidad y la importancia de edificar la capacidad de países en vías de desarrollo como la República Dominicana.

Mi pregunta aquí es, ¿Capacidad para qué, de qué?



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Porque el Dr. Davidson mencionó que países como nosotros en desarrollo, necesitan una mejor capacidad para negociar con grandes empresas en el contexto de energía.

Sr. Presidente, sabemos que países como la República Dominicana, no puede competir con las inversiones que hacen grandes empresas en la investigación y desarrollo (R&D) de energía renovable, es decir, como ha dicho el Dr. Davidson, que no podemos negociar, de manera efectiva, con empresas para lograr este gran empuje.

Entonces, creemos que a partir de ahora un gran aporte de esta Comisión de Desarrollo Sostenible en su sesión, sería definir que es este gran empuje, para países como la República Dominicana y otros países hermanos en vía de desarrollo, porque nosotros para lograr y acelerar un desarrollo industrial deberíamos, tendríamos, que tener este gran empuje que el menciono.

Finalmente, quería agradecer a los Estado Unidos por haber mencionado la República Dominicana, como parte de la Alianza para Procura la Energía y la Eficiencia de Energía, de hecho yo personalmente no tenia conocimiento de esta iniciativa pero como Director de la Comisión Presidencial sobre los Objetivos del Milenio y el Desarrollo Sostenible, una Comisión del Presidente que es multisectorial, yo voy a asegurar que todas las instituciones, nacionalmente en la Republica Dominicana, aprovechen algunas iniciativas de esta índole.

Muchísimas gracias, Sr. Presidente.