



**Minister of Planning  
and International Cooperation**

**Opening Remarks by  
H.E Dr. Ashraf El-Araby  
Minister of Planning & International Cooperation  
The G24 Technical Group Meeting  
Luxor, Egypt  
Monday March 10<sup>th</sup>, 2014**

*Honourable Guests,*

On behalf of the Government of Egypt, it is a pleasure for me to welcome you all to the Technical Meeting of the G24, held in the beautiful and historic city of Luxor; the cradle of ancient Egyptian civilization and the world's greatest open-air museum.

*Ladies and Gentlemen,*

As you all know, Egyptians hit the streets in January 2011 and once again in June 2013, in pursuit of a rigorous path to inclusive, just and sustainable democracy, backed up by sound economic development which reserves the state resources, gives priority to the needs of citizens, helps realize aspired social justice, maintains economic balance and stability and reserves the rights of future generations.

Today, as I stand before you, prospects are much brighter. The Egyptian People have adopted a new Constitution that represents the largest and most important step on

the path to restoring democracy and rebuilding democratic institutions. Alongside, the Egyptian Government has adopted an expansionary policy through increased expenditures, in spite of limited resources and increased budget deficit. The goal of such policy is to stimulate the Egyptian economy, provide basic services especially to low-income citizens, create new job opportunities for youth, make up for the crumbling private investments both local and foreign, and boost the economy to overcome the current stagnant conditions.

This has gone hand in hand with efforts to design long term structural, economic and social, policies and programs that would create a more balanced, reformed and restructured economy, while utilizing the aspired social justice.

*Ladies and Gentlemen,*

This TGM will take up issues that are of enormous importance to the Group at this juncture, including key strategic priorities for the year. We will start our meeting with a discussion on the **Global Economy**, which is undergoing a period of transition. While there have been recent improvements and signs of recovery, a number of challenges remain. Addressing insufficient demand and employment, financial market volatility, high public debt levels, imbalances and ongoing vulnerabilities in many economies must be of the utmost priority. Although many economies are already on their path to recovery, however, significant uncertainties linger. The normalization of monetary policy in major advanced economies presents a considerable challenge, especially for emerging markets, which have come under severe pressure as a result of tapering by the U.S. Federal Reserve. Understanding the likely future impact of these policies and assessing responses of emerging markets will be of critical importance for this Group.

In addition, we are faced with a significant challenge with regards to sustainable growth and productivity. Emerging markets and developing countries experienced high – yet unreal – growth in the years leading up to the crisis. Though signs of recovery are showing, concerted policy action is required to ensure long-term productivity-led growth and employment generation for the Group members.

Closely connected to this issue is the topic of our second session: **Financing for Development**. This is a very timely and relevant matter for our members, given its centrality in achieving our growth and development goals, as well as the discussions currently underway in the UN on the post-2015 Development Agenda. The G-24 has consistently stressed the importance of effective mobilization of the resources needed for sustainable development, with infrastructure financing representing a central aspect of this. In the case of Egypt, incremental allocations have been made to the State Budget for the implementation of two stimulus packages, worth a total of EGP 64 million, mostly directed towards increased public investments in physical infrastructure. The goal is to improve competitiveness, provide the capacity and tools for growth, while ensuring a fair distribution of opportunities across the nation. Building on this session and the work of previous Ministerial meetings, the Group should be well-positioned to have fruitful discussions on the issue during the upcoming Spring Meetings.

The third session will focus on **Debt and Debt Sustainability**, which has emerged as a central concern in the aftermath of the global financial crisis. While debt difficulties are now concentrated in advanced countries, debt sustainability remains a challenge in several emerging markets and low-income countries. Recently, the IMF and World Bank have revised their debt sustainability framework to make it more

forward-looking and flexible. Discussions are now underway regarding the IMF's approach to debt ceilings and IDA's approach to non-concessional borrowing, both of which have important implications for our Group, especially for low-income members. We also look forward to hearing from UNCTAD on their wide-ranging work on these issues. Finally, as past and recent experiences have showed, an effective framework for debt resolution is essential. The NML vs Argentina case before the U.S. Supreme Court is of systemic importance to all of us, and I am glad that we will be able to hear about the particulars from our distinguished Argentinean representative.

With that, by way of introduction, I would like to thank you all again for joining our meeting and I hope you will have the chance to enjoy the city while you are here. The Ministry of Tourism, along with the Governorate of Luxor, have organized an exciting tour program so you can get the chance to discover the mysteries of Luxor, home of nearly one third of the world's antiquities.

Now, I would like to hand over to Mr. Amar Bhattacharya, Director of the G-24 Secretariat, for his welcoming remarks.

Thank you.