



**PERMANENT MISSION OF THE DOMINICAN REPUBLIC TO THE
UNITED NATIONS**

**STATEMENT BY H. E. DANILO MEDINA SÁNCHEZ
PRESIDENT OF THE DOMINICAN REPUBLIC
AT THE PLENARY OF THE 71st GENERAL ASSEMBLY
OF THE UNITED NATIONS**

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Address by His Excellency the President of the Dominican Republic, Danilo Medina, to the 71st Session of the UN General Assembly.

His Excellency **Peter Thomson**,
President of the Seventy-first General Assembly of the United Nations;

His Excellency **Ban Ki-Moon**,
Secretary-General of the UN;

Heads of State and Government;

Ministers and other Heads of Delegations;

Ladies and gentlemen:

It is an honor to participate once more in this General Assembly on behalf of the people of the Dominican Republic.

I want to begin my remarks with a special recognition of the work of Secretary-General Ban Ki-Moon.

We appreciate your dedication in the search for solutions to conflicts that have shaken the world over the past 10 years and we wish you the best of luck in the new tasks that you are undertaking.

2016 is proving to be an especially turbulent year, with territorial conflicts and open identity-related tensions in different parts of the world.

We desire and insist, of course, that the international community will find a peaceful outcome to these conflicts.

First of all, for the millions of lives that are affected by these conflicts. But also, because sometimes the urgency inherent in these dramas forces us to address problems that appear to be less pressing, but which are, in the long run, the most important.

One of these issues, which is perhaps the issue with the largest scope and the greatest potential for long range transformation, is the fight against poverty and inequality.

In the past two decades, the rapid economic growth brought about by globalization has fueled high expectations in the countries of the South. In fact, it was believed that the prosperity enjoyed by a few countries might finally be within the reach of everyone.

It should be recognized that these hopes were not without basis. Indeed, in these two decades, hundreds of millions of people have been lifted out of poverty.

But we cannot let ourselves be carried away by triumphalism.

We have an obligation to clarify the scope of these conquests in the light of the actual data. And we must expand our horizons to observe the places and the areas where globalization has not kept the promises it made to humanity.

To begin with, we must remember that all of these hundreds of millions of people who have been recently lifted out of poverty do not automatically become part of the middle class, nor do all those who were able to do so necessarily remain there.

Thus, we have a new social segment, a segment which has already been lifted out of poverty, but whose position is too fragile for us to consider permanent.

The word which has been coined to describe the situation of these men and women is *vulnerability*.

Vulnerability in a situation of unemployment, the illness of a family member, an economic crisis or a natural disaster.

Vulnerability to a series of unforeseen events that can ruin their outlook for the future and can return them to poverty in just a short time.

This vulnerable group now includes more than one and a half billion people around the world, who represent more than 22.34% of the world population.

This population is particularly important in Latin America and the Caribbean, where most people earn between 4 and 10 dollars a day.

The challenge we face is to strengthen the position of this emerging class. We must provide them with security and give them the tools and skills to allow them to not only develop their own lives, but also to participate in the development of their countries.

Let there be no doubt, this new social class itself is a great opportunity for our nations.

Because of its expanded capacity for consumption and its ability to save, this social class has the potential to become, as it has already been said, an "economic growth bonus," similar to the so-called demographic bonus that our countries also have.

If we can strengthen this emerging middle class, it will demand more complex and better quality products in all areas, from infrastructure to education. And its path to progress will enable our countries and the entire world to progress.

But in order to realize all of this potential, we must strengthen the safety nets and social supports of health, education, employment and social security to keep vulnerable individuals from falling back into poverty.

If we take this opportunity, not only can these men and women leave their difficulties behind forever, they can also convert their countries into middle class, democratic and peaceful societies with less need for emigration abroad.

In other words, they can be the key to far-reaching changes on our continent.

Ladies and gentlemen,

Within the framework of this United Nations Assembly, the Post-2015 Development Agenda, with its adoption of the Sustainable Development Goals, is a good roadmap for many of the challenges we face in Latin America, the Caribbean and the World.

Our country believes that it is important to work every day to reduce suffering and to develop strategies to ensure that the way out of poverty is a path of no return.

However, to accomplish these goals in order to lift hundreds of millions of people out of poverty, more is needed than just adopting a series of formulas and indicators.

Profound changes must be urgently made to the ways in which trade and financial flows are done.

That is, the rules of the game between rich and poor countries must be revised.

Let's talk about trade. We live in an age of unprecedented trade openness, and my country, the Dominican Republic, like many other countries, has signed free trade agreements with the major economic blocs.

This should be mutually beneficial and in many cases it is. However, if I may say in all honesty, there are times when large countries engage in hypocrisy.

After more than half a century in which everyone was protected from everything that other countries were able to produce better.

Now they refuse to reduce protectionism within their borders, while in free trade agreements they would require the same from their counterparts in developing countries.

They want us, the developing countries, to eliminate the protection of industrial goods, but they do not eliminate agricultural subsidies.

For the next five years, the United States will provide an average of 97,800 million dollars annually to support its agricultural sector and in its multi-year subsidy policy for the period 2014-2020, the European Union will dedicate 408,000 million euros to subsidize their agricultural sector.

The agricultural protectionism practiced by rich countries allows them to influence the market in their favor, while tariffs and trade barriers routinely exclude products from developing countries.

And when non-tariff barriers, such as phytosanitary regulations, are not transparent, they also create additional barriers to farmers in developing countries seeking to enter the global market.

Instead of allowing these market distortions, instead of making rhetorical statements, the developed countries should take concrete steps to practice the ideal of free and fair trade.

Recently, countries such as ourselves which have free trade agreements have been forced to revise the terms of our existing agreements because of these protectionist practices which create situations of unequal competition.

In order to help, industrialized countries must agree to significantly reduce their protectionism and their subsidies during current trade negotiations, and at the same time, ensure increased funding for rural development.

Ladies and gentlemen,

In the same way in which we should seek fairer trade, we must also make sure that financial flows are partners of development and productivity.

For some time now, we have been living in an economy where the financial sector is becoming increasingly important. This is a reality that brings opportunities and dangers.

We were all able to see, for example, how in just a few months, a purely financial crisis like the one that broke out in 2008 after the bankruptcy of Lehman Brothers, was able to jeopardize years or decades of development efforts in many of our countries.

We have also had the opportunity to see how the free movement of capital can be used for the purposes of tax evasion or money laundering.

The Dominican Republic, like many of the countries present here, can only benefit from more stable, more predictable and better regulated financial markets.

So this year, we have begun to adopt the anti-money laundering recommendations of the Financial Action Task Force of Latin America (GAFILAT).

These measures include greater supervision of financial institutions, greater transparency of legal persons and the ownership of assets, monitoring wire transfers, document retention policies, a framework for international cooperation and mutual legal assistance, among other measures, for making the Dominican banking system safer and more transparent.

It is also worth noting that news like the recent ruling by the European Union, sentencing the Apple technology company for 13 billion euros in evaded taxes, demonstrates a reality that we were already aware of long ago.

That tax havens are not necessarily sunny Caribbean republics. On the contrary, the vast majority of these tax havens are under the jurisdiction of the richest countries.

Moreover, contrary to the widespread idea that tax havens are a just a place to conceal money, they are more likely to be platforms for operating financially and commercially in the global capital markets.

In other words, this is not money saved under a mattress, it is an integral part of the real economy, subtracting resources and robbing States of their prerogatives of fiscal sovereignty.

The lack of regulation has been paving the way for evaders and making the work of tax administration more complex. This is a major threat to State funding worldwide, making it difficult for governments to fulfill their great responsibilities to their citizens.

Therefore, we applaud initiatives around the world that provide hope for moving toward the greater regulation of tax havens.

We also believe that regulation of tax havens must be integrated into the demand for more regulation and the effective public supervision of financial markets in order to make these markets serve the real economy and citizenship.

Ladies and gentlemen,

It is our responsibility to continue lifting millions of people out of poverty, while also establishing policies on education, health, employment and social security which support the gains that have been made and allow us to move forward.

We will continue our commitment to the global exchange of goods and services. But let's do it in a way that ensures that such exchanges are fair and are carried out on equal terms.

We will open wide the doors to investment, increasing the possibilities of production, research and growth. But it will be done with the necessary guarantee of fairness and transparency for the medium and long term. This investment and this growth will serve the majority and not just the few.

We will find the necessary consensus to humanize the global economy.

We will provide the openness required for the capital to manage migratory flows.

We will put the same creativity and enthusiasm we use to launch lucrative businesses to work to find solutions for those who have less.

The millions of people who have recently been lifted out of poverty are the best proof that great things can be achieved when there is political will.

These millions of men and women are also our best partners and our most urgent reason to keep working.

We have taken great steps forward, but there are still so many more steps that need to be taken.

Steps that require boldness and honesty.

Steps that include destroying taboos, rethinking paradigms and redefining the rules of the game.

Our country is committed to substantially reducing inequalities, but not only inequalities between the richest and poorest people in our countries, but also in shaping international relations between poor and rich countries.

Let's sit down to a dialogue based on mutual respect and equality, without privileges and for the common good.

And let us be convinced that this is the only way that humanity as a whole will win.

The time of zero-sum games has come to an end.

This is the time when all of us will add value, when alliances for building will be formed and where no partner is too small.

You can always count on the Dominican Republic to move forward on this path.

You can always count on our country to work for the vast majority who need us.

Thank you