

Dr. Jeffrey Sachs Visits the Dominican Republic

MINISTERS PRESENT PRELIMINARY RESULTS
OF THE MDG NEEDS ASSESSMENT

(26 - 27 APRIL 2005)

REPORT



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Ministers present Preliminary Results of the MDG Needs Assessment

(26 – 27 April 2005)



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Presidential Commission on the Millennium Development Goals
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Introduction

Presidential Palace, Santo Domingo, Dominican Republic (26-27 April 2005)—The Presidential Commission on the Millennium Development Goals and Sustainable Development (COPDES) and the United Nations Country Team (UNCT) in the Dominican Republic welcomed Dr. Jeffrey Sachs and various colleagues from the U.N. Millennium Project for a series of meetings that focused on the preliminary outcomes of the country's Millennium Development Goals (MDG) Needs Assessment in the Dominican Republic, which were presented formally to Professor Sachs and H.E. Leonel Fernandez, President of the Dominican Republic. The MDG Needs Assessment process in the Dominican Republic began in August 2004 with the government transition and the creation of the Presidential Commission on the Millennium Development Goals and Sustainable Development (COPDES) in October 2004.

During the two day visit to the Dominican Republic, Dr. Sachs, Special Advisor to the U.N. Secretary-General and Director of the U.N. Millennium Project met alone with President Leonel Fernandez, the first Head of State to have created a Presidential Commission on the MDGs, where they discussed the country's progress as one of the eight pilot countries of the U.N. Millennium Project, the country's current macroeconomic situation, an MDG financing strategy as well as next steps for the Dominican Republic concerning the Goals and their implementation.



Professor Sachs arrived in the Dominican Republic on the early afternoon of Tuesday, April 26, 2005, accompanied by his assistant Mr. Gordon McCord and U.N. Millennium Project Health Advisor Dr. Mariana Kastrinakis, where they were received by Mr. John R. Gagain Jr., Executive Director of the Presidential Commission on the Millennium Development Goals and Sustainable Development (COPDES).

Professor Sachs, members of his delegation, and Mr. Gagain arrived at the Presidential Palace at approximately 2:00pm for the first meeting of the trip, which was a **briefing with the Coordinators and Analysts of each MDG Working Group as well as the U.N. Agency Heads** in the country.

Briefing with the Coordinators and Analysts of each MDG Working Group as well as the U.N. Agency Heads



Mr. Gagain during his intervention

The meeting was opened by **Mr. Gagain** who thanked Professor Sachs for his visit to the country, explained the importance of Professor Sachs's presence at such a pivotal point in the elaboration of the country's MDG Needs Assessment, and outlined the collaborative working structure established between the government and the UNCT, as well as the agenda of the meeting. When explaining the goal of the meeting, Mr. Gagain expressed that Professor Sachs inquired about the current situation in the country (with respects to the MDGs) and its effect on the MDG Needs Assessment. He expressed to Professor Sachs that the MDG Needs Assessment "has forced us to address the most challenging questions in the realm of development as well as find key answers", particularly to systemic and institutional issues. The example Mr. Gagain used was the "lack of capacity and human capital" across sectors, specifically in public health and education. Mr. Gagain stated, "addressing the MDGs, we are forced to address long-term issues like the need for capacity-building, because the biggest challenge we have now is a public health sector filled with a ratio of six doctors to every nurse; physicians and hospital managers that lack capacity, with low salaries, and they treat on average, 1.3 patients per hour. We face the same reality in education, but with teachers."

Following Mr. Gagain, **Mr. Niky Fabiancic**, Resident Coordinator of the U.N. Country Team and Resident Representative for the United Nations Development Program (UNDP) in the Dominican Republic thanked Professor Sachs and his team for their visit. Mr. Fabiancic acknowledged that this first meeting between the team in the Dominican Republic and Professor Sachs came at an opportune moment where the work

and information Professor Sachs was to review over the next day and a half would serve as an effective plan for the following year's national budget. Mr. Fabiancic highlighted that the work completed in a little less than four months has been "a lot" and the outcomes have surpassed the initial expectations of very many people in the Dominican Republic.

After the introductory words delivered by Mr. Gagain and Mr. Fabiancic, the Coordinators, Analysts, and U.N. Country Team representatives presented Professor Sachs with the challenges and high-level issues emerging from the MDG Needs Assessment process, which included key policy issues, institutional and systemic changes, as well as long-term challenges to development in the Dominican Republic.

The presentations were a precursor to the following day's session, which included the official presentations of the Secretaries of State for Agriculture, Education, Women's Affairs, Public Health and HIV-AIDS, Environment and Natural Resources, and Infrastructure—all of whom had been designated by President Leonel



Reynaldo Peguero

Fernandez as Chairpersons of the respective MDG Working Groups, hence responsible for the overall work, completion and implementation of the MDG Needs Assessment.

The presentations were made by each MDG Working Group, led by the **Health Working Group** who was represented by the Group's Coordinator **Dr. Reynaldo Peguero**, Technical Advisor to the Minister of Public Health and Social Assistance; **Dr. Socorro Gross**, Representative of the Pan-American Health Organization (PAHO) & World Health Organization

(WHO) in the Dominican Republic; and Working Group Analysts **Dr. Fernando Rojas** and **Dr. Elizabeth Gomez**.

Leading the four presentations of those of the Health Group, **Dr. Rojas** stated that one of the greatest challenges addressed in the MDG Needs Assessment process for the health sector has been the lack of equality and access to quality healthcare. He stated that this process has highlighted the urgency for a better framework of rules so that every citizen knows their rights and responsibilities when it comes to healthcare.



Dr. Gross stated that the MDG Needs Assessment process has served as a way of assisting a new government in identifying which indicators and interventions could change the country's realities—simply put, what is happening currently, and what we have to do in order to improve. Dr. Gross highlighted the “quality” of healthcare as the challenging issue for the health sector, stating that “quality” is costly because you always pay the same, but you may not always get the same result. She commented that the process has revealed that “many actions are not exactly an investment of our resources, but a decision of certain policies that do not necessarily aim or contribute to the improvement of health care.” Dr. Gross emphasized that the MDG process has placed “human resources at the center.” She stated “we cannot change our staff every four years (4 year tenure of the executive power)”. Dr. Gross concluded her intervention as Professor Sachs interrupted asking what positions are changed every four years. Dr. Gross's reply was “every new government changes all staff, from the hospitals to the smallest clinics in the most rural part of the country. The people trained in the health sector are all gone.”

Dr. Peguero highlighted that the MDG process has revolutionized the way in which the Dominican Republic finances its health sector, by providing “useful mathematical calculations of how to effectively create a budget”. He noted the importance of synergies between public health and other sectors, mentioning that access to freshwater consumes a portion of the public health budget; that infrastructure and staff management consume up to 60 percent of the actual budget; and, that the MDG process has allowed the ministry to scale-up their programs and break the tendencies that exist in maternal and infant mortality, tuberculosis, dengue, etc. Dr. Peguero emphasized three key challenges: 1. the need to mobilize resources in a positive manner, promoting coherence between programs, what funding they will receive, and which programs and activities will be prioritized; 2. allocation of resources and ensuring execution of the budget and the investments; and 3. reducing the phenomenon of investing only in infrastructure, which so often takes place in the health sector throughout Latin America.

The last speaker on behalf of the Health Group, **Dr. Gomez** commented that the challenges in the Dominican Republic are quite distinct from those in the other U.N. Millennium Project pilot countries. She stated that the problems in the Dominican Republic are not “a lack of infrastructure, a population that is incommunicado, nor a multicultural population that speaks fifteen languages...the main challenge is one public management.” Dr. Gomez stated that in the Dominican health sector, we have “too much money



and we do not know what to do with it. There are many different sources of financing.” Dr. Gomez highlighted that of all the various agencies in the health sector, the Ministry of Public Health must be the institution that takes the leadership in organizing itself and improving institutions and service delivery. Additionally, she



expressed a need for “genuine authority” and sanction when something goes wrong in the health sector concerning maternal and infant mortality. In conclusion and in response to Professor Sachs’s question concerning human resource turnover, Dr. Gomez stated that doctors and public hospital administrators change more frequently at the local and provincial level than at the national “hospital” level. Referring to the political issue of salary increases, she added that in the Dominican Republic it is like “what comes first, the chicken or the egg, physicians do not provide good service, but then again they are paid poorly too.”

The Health Group was followed by the **Gender Working Group**, which was represented by its Analyst, **Ms. Tajtana Sikoska**. Ms. Sikoska described the main interventions that have resulted from various meetings of the Gender Working Group, emphasizing the importance of mainstreaming gender throughout all sectors. Ms. Sikoska highlighted that although the structure of having a representative from the Ministry of Women’s Affairs (SEM) on all other Working Groups has been innovative and helpful, it has “been a working methodology that has not let the SEM totally control how gender is integrated”. She concluded by highlighting four key areas to the main systemic and institutional challenges in the Dominican Republic: 1. strengthening the Ministry of Women’s Affairs; 2. creating an institutional framework that ensures gender is mainstreamed throughout all sectors; 3. ensuring access to property rights and management; and 4. promoting equality in the workplace as well as political positions.

The **Environment Working Group** Coordinator **Dr. Olga Luciano**, Director of Planning for the Ministry of Environment and Natural Resources expressed that the MDG Needs Assessment process is revolutionary in the

respect that it enabled, for the first time, a forum where environmentalists were asked to distinguish interventions for sustainability in the context of poverty eradication. She highlighted the fact that only 35 percent of aqueducts in the country have sanitary water, and stated that it could be overcome utilizing the inclusive multisectoral nature of the MDG process. Ms. Luciano referred to overcoming this challenge as “a quick-win for both the environment and health sectors”. Regarding MDG Target 11 and the indicator regarding the proportion of homes with access to security of tenure, Ms. Luciano stated that the challenge discovered is that this indicator has “little relevance” in developing countries like the Dominican Republic. She explained how the Environment Group adapted the MDG target by adding two indicators, which included: 1. quality of the human settlements, and 2. the vulnerability of human settlements in the Dominican Republic to hurricanes and other natural disasters as a result of it



being a Small Island Developing State (SIDS). Ms. Luciano concluded her intervention stating that the group has come to the conclusion that access to freshwater will also form part of MDG Target 9 as “the driving force” and the focus of sustainability.

The Environment Group was followed by the **Education Working Group**, which was represented by its Analyst, **Dr. Ramon Flores**, Advisor to the Minister of Education who stated that, “although for the first time in history, the Dominican Republic knows what it will cost to achieve universal primary education, thanks to the MDG Needs Assessment and costing analysis; the greatest challenge we face, however, is, we need to have intermediate targets, not just a huge target”. Dr. Flores emphatically stated that “implementation of MDG 2 is the most difficult of all the MDGs in the Dominican Republic because we need to start now”.

He expressed that if the Dominican Republic is to achieve the MDG Target of “ensuring that all boys and girls complete a full course of primary schooling” this will mean that for the “2007-2008 academic year, all children of six years of age will need to be in school and those of 5 years of age in pre-school.”

Additionally, on behalf of the Education Group, **Ms. Yvonne Villanueva**, Project Officer at UNICEF in the Dominican Republic questioned the effectiveness of “school breakfasts” (Desayuno Escolar) considering the exorbitant amount of investment dedicated to it and those populations it reaches. Ms. Villanueva stated “if school breakfasts are utilized as a mechanism for getting kids into school then we should address a whole host of other mechanisms that exist; and if the goal is to improve children’s nutrition in order to better develop their learning, then we need to evaluate the school breakfast program.”

The **Hunger Working Group** was represented by **Dr. Saturnino De Los Santos**, Analyst for the Group and Advisor to the Minister of Agriculture and **Dr. Matilde Vasquez**, Deputy Minister for Nutrition at the Ministry of Public Health and Social Assistance (SESPAS). Dr. De Los Santos stated that the main question for the Hunger Group, when considering productivity in the context of poverty and hunger is the need to incorporate the low income community in the planning and strategy process. Dr. Vasquez highlighted that the MDG process has allowed nutrition—a very multisectoral issue, to have drawn upon the input of various sectors and be grouped into one document. She asked Dr. Sachs how other pilot countries are addressing nutrition, because here in the Dominican Republic, nutrition has a presence in the Health, Education, Hunger, and Gender Working Groups, however, “it is like we (nutrition) are everywhere, but without a home”. Dr. Vasquez stated that “nutrition achieves greatest results by being in the Health Group, however, in the long-term; if nutrition is to stay in health, it will not be able to successfully sustain nutrition indicators”.

The final speaker before Professor Sachs was **Dr. Miguel Ceara Hatton**, Director of the National Human Development Report Office (INDH) at the United Nations Development Program (UNDP) in the Dominican Republic who highlighted that the question is “not one of resources or the lack of resources, it is of the distribution of resources”. He stated that over the course of the last 52 years, the Dominican Republic had



the highest economic growth rate in Latin America and the Caribbean, registered at 5.4 percent; however, in 2002, the country ranked thirteenth-to-last for not harnessing sustainable human development related opportunities for its population from among 176 countries. Dr. Ceara Hatton proposed that after having presented the needs, interventions, costs, and projections for the 2006 National Budget, the next step should be to create a macroeconomic framework based upon achieving the MDGs. He concluded by stating “the IMF does not tell you how to spend, but it does place limits...so we must decide what will be the social macroeconomic framework—the monetary and fiscal policy, the interest rate, etc.—and how they are compatible with achieving the MDGs.”

Professor Sachs began by congratulating the government and the UNCT, referring to the Dominican Republic as a “pioneer” in realm of MDG-based planning, stating that “this is not normally how government is run or how development thinking is usually done and we believe you have done an interesting job so far”. Professor Sachs highlighted that the issues that exist in the other pilot countries are different from those in the Dominican Republic, acknowledging that “the other countries in which the Millennium Projects works have economies one-fifth or even one tenth the size of the Dominican Republic and in those countries the main challenge is resources...here in the Dominican Republic the first priority is management and resources are second”.

Professor Sachs emphasized that this process will most likely result in many policy changes, and as a result of the presentations made he proposed a change in the “politics of jobs and expertise” in the Dominican Republic, distinguishing the bottom-up-bottom-down firing and hiring of those who lose and win elections

respectively, as the greatest challenge to achieving the MDGs. His example was that after an election in Bolivia, during the 1980s when he was advising the country, over 46,000 jobs changed, and on the other hand in Japan, only 13 positions changed. Professor Sachs referred to the changing of public medical clinic officials as “ridiculous” and “this MDG process” must serve as a catalyst for change, stating that “I think this process will result in some type of civil service reform, performance indicators, not political indicators; and the professionalization of public service.”

Professor Sachs explained that normally governments worked toward incremental change on development issues, but now with the MDGs, the Dominican Republic is working towards large targets that must be monitored, not only nationally, but by province, municipality, locality and even by hospital. He expressed that the government should establish performance indicators, enforce those indicators, check compliance, enforce compliance, decide what type of monitoring is needed and how often, publish the results publicly, and hold public officials responsible.

Professor Sachs suggested that the Dominican Republic implement a “poverty mapping” system based upon gender, age, asset class (i.e. access to services), and maternal and infant mortality rates— all at the provincial and municipal levels.

He emphasized that all of the interventions and proposals to come out of the MDG Needs Assessment process should become part of the macroeconomic framework, recommending that the Ministry of Finance,

World Bank and IMF remain integrated in the MDG planning process. Professor Sachs stated that the process should change the allocation of priority spending (i.e. agreement with the Paris Club on debt restructuring and forgiveness, etc), which would serve as a basis for the country’s MDG Financing Strategy.

Professor Sachs concluded by stating “help to Haiti is help to the Dominican Republic” and every chance to address the MDGs regionally and cooperatively is positive. He highlighted that the outcomes of the presentations “feel like the Dominican Republic” and that this is important because “too many outsiders in the process” is not sustainable.

Professor Sachs’s final comments focused on the fact that the Dominican Republic’s Presidential Commission on the MDGs and Sustainable Development (COPDES) and all the entities involved should carefully document this process and write a book because, he states “I am sure the Dominican Republic will be teaching other countries in the future as to how this process could be done”.

Roundtable of Donors and Partners of the Dominican Government

After the briefing with the Working Group Coordinators, Analysts and U.N. Agency Heads, Professor Sachs was keynote speaker at the **Roundtable of Donors and Partners** of the Dominican Government, which was held in the Governing Council Room in the Presidential Palace and presided by Mr. Guarocuya Felix, Director-General of the National Planning Office (ONAPLAN) and Mr. Gagain. The meeting was attended by country representatives of the World Bank, Inter-American Development Bank (IADB), International Monetary Fund (IMF); government representatives from institutions including the Central Bank, the National Office for European Union Funds (ONFED), National Budget Office (ONAPRES), Technical Ministry's Economic Analysis Unit (STP), Ministry of Foreign Affairs (SEREX), National Council on Competitiveness (CNC), as well as economic and financial advisors to the President; and representatives from the various U.N. agencies in the country.

Mr. Gagain opened the meeting by thanking all of the donors and partners where he referred to them as “true partners” of the MDG process. He stated that many



institutions have been involved actively in the MDG Working Groups since the beginning including the World Bank, IADB, U.S. Agency for International Development (USAID), GTZ, among others. Mr. Gagain expressed that the purpose of the meeting was to have a fruitful dialogue with Professor Jeff Sachs during his visit to the Dominican Republic, where he planned to not only to advise the technical development experts, but also the President and his economic cabinet on a viable financing strategy for achieving the MDGs. Additionally, Mr. Gagain announced the need to discuss the macroeconomic environment of the country, the



country assistance strategies of those present, their participation in the MDG process and their contribution to the implementation of the MDG Needs Assessment.

Mr. Felix followed Mr. Gagain in representation of the Technical Secretary as well as the National Planning Office (ONAPLAN) where he highlighted that the Dominican Republic, in its current state of economic stabilization, has to make a series institutional reforms as a form of conditionality established under the IMF Stand-By Agreement the government subscribed to in January 2005. He explained that reforms would include: “budgetary, public credit, treasury, financial administration, not only from a standpoint of the State, but from institutions, in order to strengthen them, make them transparent in order to have a better criteria for assigning resources, which in this case, the line ministries require in order to effectively achieve the MDGs.” Elaborating on the institutional reforms, Mr. Felix emphasized the need to begin an inclusive process of fiscal reform where “the MDGs would play an important role because they are society’s goals and Dominican society currently needs social cohesion and a vision for the future.” Mr. Felix concluded stating, “...we want a budget based upon results that allows us to track indicators to programs that have been established as key to achieving the MDGs.”

In his keynote statement to the Roundtable, **Professor Sachs** began by stating that he believes the Dominican Republic is at a juncture where it has surpassed the extreme macroeconomic crisis and could begin to think extensively about medium and long-term development issues like the MDGs. He presented that the MDGs are achievable in any country, stating, “...if they are achievable in Ethiopia, they are definitely achievable in

the Dominican Republic”. He went on to state, however, that the MDGs are not just a matter of market forces, they are about a practical plan that takes into account “focused investments in priority areas”. Professor Sachs elaborated by stating that “rising income alone does not achieve the Goals, it does not save women in child birth, does not ensure child mortality will fall by two-thirds, and certainly does not ensure environmental sustainability”.

Professor Sachs applauded President Fernandez’s intention to make the MDGs a presidential priority by creating a Presidential Commission because the fact that this is new for governments may present challenges.



Professor Jeffrey Sachs

He stated, “...government working backwards from 2015 is different, but it is right”. Professor Sachs, in responding to Mr. Felix’s intervention, where he noted the collaborative agreement between the Dominican Government and the U.N. Economic Commission for Latin America and the Caribbean (ECLAC) to create a plan for 2025, stated that 2025 is great and “visionary”, however, the 2015 agenda for the MDGs is “operational”.

He acknowledged that the MDG process has created “new kinds of discussion in the Dominican Republic” due to the fact that government programs are not traditionally based upon these types of goals. He drew attention to the fact that “core systems in the Dominican Republic are not very goal oriented right now”, making mention of the health system and the country’s high maternal and child mortality rates as well as the lack of monitoring, measurement, and policy design that should effectively address achieving the MDGs. He stated, according to what he had heard in previous meetings since his arrival, which for instance includes that “public administration has not been responsive to the

challenges and that communities seem to have very little input as to the quality of services in the Dominican Republic”.

Professor Sachs highlighted that it is vital in the near future for COPDES to maintain a close working relationship with the IMF, World Bank, and the UNCT. He particularly referred to the IMF stating, “...although the IMF focuses broadly on macroeconomic issues and not development goals, however, this process closely relates to the budget.” He elaborated by stating “IMF support is traditionally about targeting domestic credit expansion and the budget in order to get inflation down and the exchange rate stable. It is not based on achieving certain development goals.”

One of the pivotal points of Professor Sachs’s intervention included the Dominican Republic’s need to distinguish “the investment needs for achieving the MDGs and how they connect with the system reform needs”. Professor Sachs emphasized that “the world has agreed that the MDGs take the priority and the Dominican Republic should figure out how to accomplish them in the context of macroeconomic stability rather than macroeconomic stability being the base”. He went further to say that “if the resources are not there to achieve the Goals, you have to find them.” The question must be how the requisite finances could be met.

Professor Sachs concluded by outlining a series of possible steps to follow, especially in the case of a “MDG financing gap”: 1. reallocate within the budget from low priority to high priority investment areas; 2. mobilize revenues that are already on the books, but are not collected because the tax administration does not work—(i.e. tightening up the tax administration); 3. mobilize more domestic resources; 4. establish user fees, but not at the point of services, create a possible national service fee; and 5. more development assistance from partners including IADB, World Bank, etc., as well as more debt reduction from the Paris Club.

The participants of the roundtable including the **World Bank, IMF, IADB, government representatives** and the **diplomatic corps** expressed their support for the MDG process as well as the points put forth by Professor Sachs. They emphasized the need to make the MDGs national goals, expressed the urgency of making the MDGs compatible with the national macroeconomic framework, applauded the notion of

public accountability and an approach of improving systems—“doing better with what already exists”, and expressed the need to integrate the MDGs in the fiscal reform process, among others.

Launch of the U.N. Millennium Project's Report "Investing in Development: A Practical Plan for Achieving the Millennium Development Goals"



On that same evening on April 26, 2005, **Professor Sachs** launched the historic report compiled by the U.N. Millennium Project and its various Task Forces in the Ambassadors Room of the Presidential Palace in Santo Domingo. The report entitled "Investing in Development: A Practical Plan for Achieving the Millennium Development Goals", which was presented formally to U.N. Secretary-General Kofi Annan at U.N. Headquarters in New York on January 17, 2005, was launched in over 100 countries around the world since that date. This launch in Santo Domingo, Dominican Republic, was the first of many launches in Latin America where Professor Sachs was personally present.

The event was attended by many distinguished individuals of the community, ranging from various Ministers and government officials, diplomats, business, civil society, and press. **President Leonel Fernandez** who hosted the launch in the Palace was joined by **Mr. Alfredo Pacheco**, President of the Dominican National Congress's Chamber of Deputies, who himself expressed support for the Millennium Development Goals.

Professor Sachs began by explaining the significance and importance of the agreements reached at both the Millennium Summit in 2000 and the Monterrey Conference on Financing for Development in 2002. He explained that after these two historic events, he was granted the honor of serving as the Secretary-General's Special Advisor on the MDGs, where, as a result of this honor, he and the Secretary-General formed the U.N. Millennium Project, which included 267 development experts, scientists, economists, and civil society

representatives that were organized into ten Task Forces, all of which recently presented Secretary-General Annan with over 2,700 pages of 14 volumes of recommendations that represent a practical plan for achieving the MDGs.

Professor Sachs stated that "these practical recommendations for achieving the MDGs could be possible and they only require 'one thing', that the rich countries maintain the promises they committed in the past, not one thing more. Just do what you said you were going to do and you will be saving more than eight million lives daily."

Professor Sachs highlighted that throughout the work of the U.N. Millennium Project, they searched for governments that exemplified "dynamic leadership" and a "serious commitment to combating poverty". He referred to these governments as "pioneers" or what the Millennium Project more formally refers to as "pilot countries". He stated that they at the Millennium Project are "proud and happy" to be working with the Dominican Republic as one of the eight pilot countries.



Professor Sachs emphasized that "...President Fernandez did something very important by creating a Presidential Commission on the MDGs in the Dominican Republic." He stated, "...this initiative ensures that the MDGs receive focus and priority, analytical attention, and political commitment...all important for their achievement by the year 2015."

Professor Sachs emphatically stated that "...after having had two meetings already during this visit to the

Dominican Republic, I could see that a tremendous amount of progress has already been made.” Professor Sachs acknowledged that the work of the Presidential Commission has been contrary to how government normally functions. “The idea has been to reach for the stars, ask how are we going to get there—not simply establishing nice long-term goals, but practical methods for doing so,” stated Professor Sachs.

Professor Sachs emphasized the need to overcome the question of “partisan politics” in the Dominican Republic. He stated “no government is owner of the MDGs, they are owned by the people of the Dominican Republic and of the world. They are goals for everyone and I am sure no one ever says they are not in favor of reducing maternal mortality by two-thirds or not in favor of the fight against malaria or AIDS.”

Professor Sachs signaled that one of the greatest challenges of this process will probably be the need to plan what the country needs in ten years, in a systematic manner, including all political parties, the Congress, civil society, provinces, as well as national government.

Professor Sachs noted that the Presidential Commission is working on all important details with respects to achieving the MDGs, including “the question of financial resources, new investments, the construction of new clinics, schools, highways; the issue of political processes, whether the government is or is not responsible for these obligations or is it a question of provinces or municipalities.” He referred to the questions as “fascinating” displaying that the MDGs in the Dominican Republic are “very achievable”.

Professor Sachs concluded by giving hope that on his last visit to the Dominican Republic in 2004, the country was in the midst of the worst economic crisis. He applauded the progress made so far and stated that the changes needed in order to achieve the MDGs are equally possible.

President Fernandez followed Professor Sachs by thanking him for visiting the Dominican Republic once again after years of working with him while professor at both Harvard and Columbia University.

President Fernandez explained the history he and Professor Sachs share as friends and colleagues, making note of the collaborative study entitled “Strategy for Economic Competitiveness – Dominican Republic”

conducted by the Harvard University Center for International Development (CID) of which Professor Sachs served as Director and the Global Foundation for Democracy and Development (FUNGLODE), founded by President Fernandez in 2000.

Explaining the challenges and the progress that the Administration has made in the short-term with respects to overcoming the economic crisis, handed to President Fernandez as he took office in August 2004, President Fernandez referred to Professor Sachs as the “Godfather” of the ideas behind this economic progress, thanking him in front of the government officials and other guests.



President Fernandez, acknowledging Professor Sachs’s assistance as “the medicine” for the short-term economic challenges, expressed thanks and appreciation for the two-books Professor Sachs presented him stating that one, “Investing in Development—a collection of 2,700 pages, which focuses on a practical plan for reducing poverty by half”, and the other “the End of Poverty—which addresses ending extreme poverty in its entirety by 2025”, are two books that will assist the Dominican Republic with its long-term development goals and plans.

President Fernandez stated that if we are to achieve our long-term development goals, we require “a series of effective policies, a working methodology; national unity that includes government, private sector, civil society, and academia; new mechanisms for generating wealth, a more equitable distribution of national wealth, and the creation of new opportunities and intellectual capital”.

President Fernandez agreed with Professor Sachs,

stating that "...his optimism in the sense that political parties in the Dominican Republic must set aside conflicts in the struggle for power and make national interest the priority" is truly important. President Fernandez hoped for a future where "political parties that win elections would not have to begin from nothing, they would have pre-determined criteria for combating poverty."

President Fernandez acknowledged that political parties have "their own ideas, criteria, ideology, programs, but there are things that are basic and unchangeable...applying values, principles, policy norms—all of which go beyond political tenure."

President Fernandez highlighted the fact that "every four years there are elections as well as a change of the political party in power, which presents a problem in Latin America regarding its democratic system and the continuation of public policies." He further stated "...four years is too little to make a transformation,

even eight or twelve years is too little."

President Fernandez expressed that "the MDGs must be addressed in the long-term and unfortunately... democratically speaking, no one could spend a lot of time in power, and even if they could, it would generate fatigue and the need for change would abound."

President Fernandez concluded by stating "it is important to adapt these criteria as 'the ideas of everyone', to share them, to commit ourselves politically no matter who is in power—making a commitment to the nation...allowing us to advance effectively."

Ministers present Preliminary Results of the MDG Needs Assessment

The purpose of Professor Sachs's visit to the Dominican Republic was to officially receive the preliminary results of the country's MDG Needs Assessment, whose process began in December 2004, was elaborated by the various MDG Working Groups of the Presidential Commission on the Millennium Development Goals and Sustainable Development (COPDES), led by Ministers and counterpart agencies of the U.N. System in the Dominican Republic, with the inclusion of civil society organizations, the private sector and donors.



John R. Gagain Jr.

The main event, referred to as the "Presentation of the Preliminary Results of the MDG Needs Assessment" was opened by **John R. Gagain Jr.**, Executive Director of the COPDES in the Las Cariátides Room of the National Palace, who in his speech highlighted that the process in the Dominican Republic has been coined "the Dominican Model" by other Member States at the U.N., development experts, and professors.

Mr. Gagain stated that the "Dominican Model" has converted itself into a system that includes: Nine working groups, more than 20 sub-groups and several sub-sub-groups; multisectoral plenary meetings, technical meetings, joint government – U.N. Country team meetings, Cabinet meetings, small working groups, meetings with donors, etc.; A structure that permits the U.N. Country Team to designate a counterpart agency or agencies, which provides constant, local level technical assistance for ensuring our achievement of the MDGs; A pro-women approach to achieving the MDGs where the Ministry of Women's Affairs (SEM) has designated representatives to all MDG Working Groups in order to ensure that gender is mainstreamed throughout the poverty eradication planning process; as well as a Ministry of Environment

and Natural Resources that has followed suit by streamlining environmental sustainability throughout the same Working Groups.

Mr. Gagain highlighted the role of the National Planning Office (ONAPLAN) who became a full partner of the process due to "its expertise, its mandate (Dominican Government agency charged with formulating the national budget and planning), and the importance of directly aligning this process, particularly the MDG Needs Assessment, to the 2006 National Budget."

Mr. Gagain emphasized that "the MDGs have managed to break the historical tendency of planning the following year's budget based upon previous public expenditures." He stated "Mr. President, next year's budget will be based upon results; it will be based upon the needs of the people, particularly the most marginalized populations, based upon medium and long-term goals; and it will work to ensure that the Dominican Republic achieves the MDGs."

Mr. Gagain mentioned that the process has "forced answers to pivotal questions" that now include "new policy options, new laws, modification of existing laws, institutional change, coherent and effective responses to natural disasters, salary increases for our key services providers; and the capacity building of doctors, teachers, hospital managers, and public administration officials".

He stated that although the process has advanced, there have been significant challenges including "the need to address the synergies between sectors, the fact that certain sectors will need larger budgets in 2006, in order to fulfill the public interventions that are necessary for achieving the MDGs, while other sectors will receive smaller budget allocations in the interest of prioritizing".

Mr. Gagain concluded with an appeal to President Fernandez stating "Mr. President, as you listen to the key interventions, the needs, the costs of these needs, the policy recommendations, the goals and targets we aim to set because of this MDG Needs Assessment, and the implications they present for achieving or not achieving the MDGs, we ask for your continued leadership and support."

Immediately following Mr. Gagain's presentation, the Ministers began with the presentations of the preliminary results of the MDG Needs Assessment.

Mr. Amilcar Romero, Minister of Agriculture and President of the Hunger Working Group stated that in order to reduce by half the amount of those who suffer from hunger in the Dominican Republic, the country would have to make investments in increasing agricultural productivity, distribution and commercialization of agricultural products, nutrition and hygiene of food stuff, increase in employment and revenue, and general assistance to the agro-industry in order to sustain all of the above. Minister Romero stated that the total costs of these investments would be RD \$26,244.49 million pesos.

Ms. Alejandrina German, Minister of Education and President of the Education Working Group stated that a series of investments would need to be made in order to



ensure that children complete a full cycle of primary education in the Dominican Republic. Public investments would be needed in areas including: management and institutionalization of the educational system, infrastructure, teacher development, legal and administrative issues, teaching resources, direct assistance to low-income students, curriculum development, science and technology, social assistance, among others.

The financial resources required over the next 10 years in order to achieve the MDGs, according to Minister German, would US \$12 billion. The current budget for the Ministry of Education in the Dominican Republic equals 1.8 % GDP. "For 2006, it should not be less than 2.9% GDP, eventually growing to 4% GDP" stated the Minister. She concluded that "the current per



student expense is US \$250, which by 2006 should increase to US \$383, and by 2015 to US \$635."

Ms. Sonia Diaz, Deputy Minister of Women's Affairs and Coordinator of the Gender Working Group stated that various interventions would need to be implemented by both the Ministry of Women's Affairs as well as other sectors of society and ministries in order to ensure the achievement of MDG number 3.

The interventions to be implemented by the Ministry of Women's Affairs included: sexual and reproductive health awareness programs, political participation and representation initiatives, gender violence eradication mechanisms, institutional and systemic changes, property management rights, and equality in the workplace. Deputy Minister Diaz estimated that the financial investment needed to implement the 124 interventions of the Ministry would total US \$95.2 million.

Dr. Sabino Baez, Minister of Public Health and Social Assistance and President of the Health Working Group



stated that the interventions needed to ensure achievement of the MDGs on maternal health and child mortality would come to approximately US \$8.5 billion—more or less double the actual expenditures of the Ministry of Public Health and Social Assistance.

Minister Baez broke down the costs accordingly: US \$241 million for the three-quarters reduction of maternal mortality, US \$248 million for the two-thirds reduction of child mortality, US \$440 million for HIV/AIDS, US \$38 million for tuberculosis, US \$4 million for controlling malaria, US \$1.4 billion for the transformation of the health system, US \$2.3 billion for the advancement of human resources, and US \$3.82 billion for infrastructure and operations.

Dr. Alberto Fiallo, Executive Director of the President's Council on HIV/AIDS and President of the HIV/AIDS Working Group defined the interventions by package, which were divided by: children, youth and adolescents (both sexes), women, prostitution, homosexual males, inhabitants of bateyes and illegal



Maximiliano R. Puig Miller, Minister of Environment and Natural Resources

immigrants, intravenous drug users, those who are HIV positive, and the development and strengthening of a national response to HIV/AIDS. The components of the interventions are: infrastructure, goods and services, human resources, and information, education, and massive communication. The estimated cost of these interventions was RD \$440.3 million pesos with the annual cost per capita at US \$4.83.

Dr. Maximiliano R. Puig Miller, Minister of Environment and Natural Resources and President of the Environment Working Group considered MDG number 7 to have provoked a paradigm shift in the Dominican Republic where he emphasized the need to “...visualize environmental goods and services as having economic value and being needed for the



Alberto Fiallo, Executive Director of the President's Council on HIV/AIDS

advancement of development”. His example included that “developing countries with best access to water and sanitation have the largest growth indexes.”

Dr. Olga Luciano, Director of Planning at the Ministry of Environment and Natural Resources & Coordinator of the Environment Working Group stated that the cost of implementing the interventions for MDG targets 9, 10, and 11 are estimated at US \$4.0 million of which 75% would be dedicated to target 10 regarding water and sanitation with the remaining 25% divided more or less equally between targets 9 and 11, concerning environmental sustainability and slum dwellings, respectively.

Mr. Mariano German, Minister without Portfolio, Coordinator of the Environment and Infrastructure Cabinet, Director of the Presidential Commission on Provincial Development and President of the Working Group on Infrastructure elaborated upon the interventions concerning infrastructure of all of the aforementioned Working Groups, adding, however, two categories of interventions including rural electrification and maintenance of roads and highways.



Mariano German
Coordinator of the Environment and Infrastructure Cabinet

Minister German stated that in order to ensure achievement of the MDGs, the Dominican Republic would need to amplify the rural electricity network, which would cost US \$47.6 million between 2005-2010 and US \$28 million between 2010-2015 for a total of US \$75.6 million. The maintenance of roads and highways, mainly in the rural parts of the country was estimated at US \$1.4 billion.

Mr. Niky Fabiancic, Resident Coordinator of the U.N. System in the Dominican Republic addressed the event stating that the process has been driven by the technical support of hundreds of Dominicans, the President's leadership and the effective coordination of the Presidential Commission. He considered the MDG Needs Assessment "to constitute a fundamental pillar for the country's Agenda for Development (Proyecto de Nación) where all political parties and citizens could feel represented". Mr. Fabiancic stated that any Agenda for Development would very possibly consider the MDGs while facilitating a series of reforms and systemic changes including constitutional, state, and fiscal, among others.

Mr. Fabiancic emphasized that "the MDGs belong to the Dominican people, not the U.N., not any specific political party...we committed ourselves when past President Hipolito Mejia signed the Millennium Declaration in 2000 at the U.N. Millennium Summit."

Mr. Fabiancic highlighted that "...now with the MDGs, the Dominican Republic could measure its progress and well-being—quantitatively and qualitatively, particularly in comparison to other countries of the region as well as the world."

Mr. Fabiancic compared the MDGs in the Dominican Republic to recent years and stated "...now the Dominican Republic has the genuine support of a President who is dedicated to achieving the MDGs, a country with a Presidential Commission on the MDGs, and the support of the U.N. System."

He expressed discontent for the fact that the country's press did not effectively publicize the presence of the President of the Chamber of Deputies and the President of the Republic at the preceding evening's launch of the "Investing of Development" report, where, due to the fact that both gentleman represent opposing political parties, could have been an impetus for overcoming political obstacles and a step forward toward achieving overarching multi-party support for the MDGs.



Comparing the Dominican Republic to other developing countries, particularly low-income countries in Africa, Mr. Fabiancic stated that "...in the Dominican Republic, there are resources, maybe not enough, but they are there, making the key issue of MDG implementation the improvement of systems, better policies, and the maximization and optimal use of resources."

Mr. Fabiancic concluded by emphasizing three action items: 1. the country should create a mechanism for ensuring "an efficient and strong civil service"; 2. the inherent need for "...changing the culture among youth that politics is seen as a way of ascending your status in society or benefiting from the State's resources...politics should be seen as serving your people effectively"; and 3. harnessing the governance of establishing objectives and targets and redefining the assignment of resources according to their achievement.

Upon conclusion of the presentations and Mr. Fabiancic's intervention, the Master of Ceremonies, **Mr. Omar Liriano** presented the young man named **Milcíades Alberto Ventura Lumbert**, age eleven of the Fatima Oscar Santana School in the underprivileged neighborhood of Gualey in Santo Domingo, who enthusiastically recited four poems on the MDGs, reminding the President, the Ministers, Professor Sachs, and those present that they must consider future generations when addressing the implementation of the MDGs. After the young man's intervention, President Fernandez congratulated him and thanked him for coming. Young Milcíades stated to President Fernandez, "You and I have a meeting pending".

Before Professor Sachs took the floor for an insightful intervention of approximately 45-50 minutes, Mr.

Gagain publicly thanked Professor Sachs once again, presenting him, together with President Fernandez, a large plaque of appreciation for his significant contribution to the Dominican Republic and its achievement of the MDGs.

Professor Sachs began by stating that this event, the work of the Commission, the presentation of young Milcíades has been “marvelous and emotional”. He again referred to the Dominican Republic as a “pioneer” in the realm of MDG planning, stating that “this is not traditionally how governments function—establishing long-term objectives of which you plan your budgets and national development goals with ten year horizons.”

He stated that one of the greatest challenges in these processes has been defining “a type of poverty map” where after having developed national goals; the goals are “made relevant for provinces, districts, municipalities, and local communities”. Professor Sachs commented that “the needs are different in distinct parts of the country...there are so many isolated and under-served communities...it is extremely important to translate these national goals into local realities.”



Professor Sachs receives a plaque of appreciation for his contribution to the Dominican Republic

Professor Sachs expressed that the primary question in the Dominican Republic, when addressing the MDGs, is not that of “financial resources”, but more so, the “situation of public management”. He acknowledged that many believe the public service is currently not functioning well. He stated “it is very clear that public administration in the Dominican Republic is quite politicized...to the point where I heard yesterday that public hospital managers are replaced when the political party in power changes.” Professor Sachs emphatically stated “this is not how you are going to achieve the



Milcíades Ventura is congratulated after reciting his MDG poems

MDGs. You will achieve the MDGs with ‘excellence’, with capacity...not only by winning the elections. You need quality education; hospitals with directors that have capacity, that are responsible for the hospital’s performance—that when mothers and children die, the public knows and reacts accordingly...running a hospital is an extremely technical job.”

Professor Sachs proposed that the massive firing and hiring of public employees when the political party in power changes, should be de-politicized by forming an agreement among all the political parties in the Dominican Republic. He stated that “civil service reform of some sort” should be conducted in the interest of professionalizing the delivery of services in the Dominican Republic—allowing the country a better chance of achieving the MDGs.

Professor Sachs highlighted that planning and governing based upon the MDGs permits the Dominican Republic the opportunity to measure performance across the board—whether it be at the international, national, or local level. He referred to the low-level test scores in the Dominican education sector as a “concrete indicator that cannot be disputed”. Professor Sachs stated that “utilizing the MDGs, you could compare students and their scores with others in the hemisphere.” He asked “to see and compare mortality rates by district, by hospital, by region”. He stated that “...this ‘results based’ approach would allow performance in the Dominican Republic to be questioned when it is poor.” Professor Sachs proposed a method of “local empowerment” where potential “community watch boards” could supervise, monitor and measure their local public officials according to concrete (non-political) standards.” The examples of possible supervision he used were physicians and directors in public hospitals and teachers in local public

schools.

Referring further to local empowerment, Professor Sachs addressed combating corruption in the public sector at the local level by utilizing an example in Uganda. He stated that in Uganda the community knew “exactly how much money was budgeted for local services” and this allowed citizens and community activists to question “is the money being used wisely? Are professors being paid? Do we have sufficient educational materials and resources?”



Professor Sachs highlighted the role of the private sector in achieving the MDGs, stating that “the country needs a rapid economic growth rate, basic infrastructure, and a solution to the energy crisis if the Dominican Republic is going to achieve the MDGs.”

He stated that once the needs and costs of the MDG Needs Assessment are finalized, it is important to put them in the context of a “macroeconomic framework.” He commented that “financial statistics based upon ten years are not useful. We must put them into budgetary context. What will these costs mean for 2006, 2007, etc.?”

Professor Sachs emphasized that the Presidential Commission, hereafter, must maintain contact with the International Monetary Fund (IMF) and other development assistance partners in order to identify an MDG financing strategy and establish the funding priorities. He stated “I believe that primary school classrooms, health clinics, and things like access to freshwater should all be considered priorities.” He highlighted the need to combine this process with that of “fiscal reform” and establishing a sufficient financial base for ensuring these investments. Professor Sachs

also mentioned the need to increase international financial assistance for the MDGs, drawing attention to the “role that international financial institutions (IFIs) play in helping countries to achieve their priorities”. He alluded to fact that the country’s debt should be reevaluated with the Paris Club as part of the MDG financing strategy, noting that creditors have expressed the need to reduce debt in order to assist countries in achieving the MDGs.

Professor Sachs ended his speech referring to the situation in the neighboring country of Haiti stating “...locally, we cannot see the Dominican Republic achieving the MDGs without Haiti overcoming its greatest challenges”. He committed himself to helping the Dominican Republic help its neighbor. Globally, Professor Sachs agreed that this year, the five year anniversary of the Millennium Summit and 60th anniversary of the U.N. is to be a monumental occasion where countries will follow the lead of those like the Dominican Republic. Professor Sachs stated “I hope that they listen to the voice of the Dominican Republic in September and I am sure they will. This is a country with a very respected leader, recognized globally for his accomplishments and what he is doing for the achievement of the MDGs”. Professor Sachs highlighted the Secretary-General’s report “In Larger Freedom” stating “there is no development in the world without having security, and there is no security without having development. There can be no successful war against terrorism in the world without a war against extreme poverty.”

Professor Sachs’s final words were “...in the name of the Secretary-General and as Director of the U.N. Millennium Project, we are very honored and appreciative and we look forward to continuing this work and being your partners in the future. Thank you.”

President Fernandez followed Professor Sachs stating that with the results of these presentations we now know the reality of the Dominican Republic—in real statistics, in needs, and in regards to reform. President Fernandez emphasized the fact that we now know “the cost” of development in the Dominican Republic. He stated “we know the costs of transforming the Dominican Republic in order to ensure our achievement of the MDGs.”

President Fernandez agreed with Professor Sachs and

highlighted that the MDGs must be situated in the context of economic stability with a policy oriented toward sustainable economic growth. He stated that in order to successfully address the MDGs, we must combine them with “macroeconomic policy” and “institutional reforms” in the Dominican Republic.

President Fernandez outlined his government’s economic policy, addressing issues including the recent economic growth, the Stand-by Agreement with the IMF, and the DR-CAFTA (Dominican Republic - Central American Free Trade Agreement), stating that the country has lost the last five of the fifteen years of this century toward achieving the MDGs.

He considered this moment to be of singular, unique, and historic importance for the Dominican Republic stating “...perhaps the biggest crises convert themselves into the biggest opportunities” making mention of the social pact between the political parties he proposed last evening in the event that launched the “Investing in Development” Report in Santo Domingo.

President Fernandez addressed the linkage between the MDGs and competitiveness, modernization, and technology stating “the MDGs are to overcome extreme poverty and I believe that in order to do so, we need to transform the Dominican Republic into a modernized country”. He explained his vision for the Dominican Republic’s Cybernetic Park, which was initiated in his first administration in the late 1990s. He used as an example the “modernization of agro-industry” as a way and means of increasing production, promoting nutrition, and achieving the MDG target of halving hunger by 2015.

Continuing on the issue of modernization, President Fernandez stated “it is big problem, an injustice of large proportions what occurs in our countries (Latin America)...the fact that the change in government signifies that those who are in public sector positions have to leave in order to open up employment opportunities for those arriving as a result of an election triumph. It is a big mistake and I believe that we all loose because of this. I think that in the Dominican Republic we need a Civil Service and Administrative Career that we must apply...we need a method for executing it and that method must be based upon merit—the individual merit of each citizen that desires to work in the public sector.”

President Fernandez stated “I would be in a position to discuss with the leaders of the other political parties the means of developing a method that would permit us to professionalize the public sector in the Dominican Republic, regardless of the changes of government or electoral cycle...I believe this would be a great contribution and impulse for the modernization of the State of the Dominican Republic.”

President Fernandez emphatically stated that “...he has never seen such a concrete, detailed presentation of the reality of the country, such precise diagnostics, with-at-the same time, recommendations for actions that establish the costs, the required investments.” He considered this a “historic step for public administration in the Dominican Republic.”



President Fernandez states “this has been a historic moment for public administration in the Dominican Republic”

President Fernandez stated that when the medical doctors in the Dominican Republic protest for higher salaries, he believes it is “a righteous claim”, however, he believes that we must establish mechanisms for measuring their performance. “There are doctors that do well and there are others that do not” stated President Fernandez. “We will begin to evaluate individually, those who do well, will deserve and will receive additional compensation; those who do not do well, will be sanctioned. The same will go for educators who will be evaluated also.”

President Fernandez highlighted “...these ways must come to an end in the Dominican Republic. We must establish good mechanisms for evaluating the quality of public service, and if we do so, I am sure we will have a better country.”

President Fernandez concluded by stating “I leave this event very happy, very proud of our government, of the technocrats that have worked on this...and of the fact that we have a working method in the Dominican

Republic that links many institutions in the global, national, and local realms, with the Provincial Development Councils, Municipalities; the Economic, Social and Institutional Council; and the various

Ministries—all with the Presidential Commission on the Millennium Development Goals and Sustainable Development (COPDES).”

Annex

Speeches & Interventions

1. Briefing with the Coordinators and Analysts of each MDG Working Group as well as the U.N. Agency Heads
 - A. **Mr. John R. Gagain Jr.**, Executive Director, Presidential Commission on the Millennium Development Goals and Sustainable Development (COPDES)
 - B. **Mr. Niky Fabiancic**, Resident Coordinator, U.N. System in the Dominican Republic and Resident Representative, United Nations Development Program (UNDP) in the Dominican Republic
 - C. **Dr. Reynaldo Peguero**, Technical Advisor to the Minister of Public Health and Social Assistance & Coordinator of the Health Working Group
 - D. **Dr. Socorro Gross**, Representative of the Pan-American Health Organization (PAHO) & World Health Organization (WHO) in the Dominican Republic
 - E. **Dr. Fernando Rojas**, Health Working Group Analyst
 - F. **Dr. Elizabeth Gomez**, Health Working Group Analyst
 - G. **Ms. Tajtana Sikoska**, Gender Working Group Analyst
 - H. **Ms. Olga Luciano**, Director of Planning for the Ministry of Environment and Natural Resources & the Environment Working Group Coordinator
 - I. **Dr. Ramon Flores**, Advisor to the Minister of Education & Education Working Group Analyst
 - J. **Ms. Yvonne Villanueva**, Project Officer at UNICEF in the Dominican Republic
 - K. **Dr. Saturnino De los Santos**, Advisor to the Minister of Agriculture & Analyst for the Hunger Working Group
 - L. **Dr. Matilde Vasquez**, Deputy Minister for Nutrition at the Ministry of Public Health and Social Assistance (SESPAS) & Coordinator of the Nutrition Sub-Group
 - M. **Dr. Miguel Ceara Hatton**, Director of the National Human Development Report Office (INDH) at the United Nations Development Program (UNDP) in the Dominican Republic
 - N. **Dr. Jeffrey Sachs**, Special Advisor to the U.N. Secretary-General for the MDGs and Director of the U.N. Millennium Project
2. Roundtable of Donors and Partners of the Dominican Government
 - A. **Mr. John R. Gagain Jr.**, Executive Director, Presidential Commission on the Millennium Development Goals and Sustainable Development (COPDES)
 - B. **Mr. Guarocuya Felix**, Director-General, National Planning Office (ONAPLAN), Technical Secretariat of the Presidency, Dominican Republic
 - C. **Dr. Jeffrey Sachs**, Special Advisor to the U.N. Secretary-General for the MDGs and Director of the U.N. Millennium Project

3. Launching of the U.N. Millennium Project's Report "Investing in Development: A Practical Plan for Achieving the Millennium Development Goals"

- A. **Dr. Jeffrey Sachs**, Special Advisor to the U.N. Secretary-General for the MDGs and Director of the U.N. Millennium Project
- B. **Dr. Leonel Fernandez**, President of the Dominican Republic

4. Ministers present Preliminary Results of the MDG Needs Assessment

- A. **Mr. John R. Gagain Jr.**, Executive Director, Presidential Commission on the Millennium Development Goals and Sustainable Development (COPDES)
- B. **Mr. Amilcar Romero**, Minister of Agriculture and President of the Hunger Working Group
- C. **Ms. Alejandrina German**, Minister of Education and President of the Education Working Group
- D. **Ms. Sonia Diaz**, Deputy Minister of Women's Affairs and Coordinator of the Gender Working Group
- E. **Dr. Sabino Baez**, Minister of Public Health and Social Assistance and President of the Health Working Group
- F. **Dr. Alberto Fiallo**, Executive Director of the President's Council on HIV/AIDS and President of the HIV/AIDS Working Group
- G. **Dr. Maximiliano R. Puig Miller**, Minister of Environment and Natural Resources and President of the Environment Working Group
- H. **Dr. Olga Luciano**, Director of Planning at the Ministry of Environment and Natural Resources & Coordinator of the Environment Working Group
- I. **Mr. Mariano German**, Minister without Portfolio, Coordinator of the Environment and Infrastructure Cabinet, Director of the Presidential Commission on Provincial Development and President of the Working Group on Infrastructure
- J. **Mr. Niky Fabiancic**, Resident Coordinator, U.N. System in the Dominican Republic and Resident Representative, United Nations Development Program (UNDP) in the Dominican Republic
- K. **Dr. Jeffrey Sachs**, Special Advisor to the U.N. Secretary-General for the MDGs and Director of the U.N. Millennium Project
- L. **Dr. Leonel Fernandez**, President of the Dominican Republic

Name: Mr. John R. Gagain Jr.
Title: Executive Director, Presidential Commission on the Millennium Development Goals and Sustainable Development (COPDES)
Event: Roundtable of Donors and Partners of the Dominican Government
Venue: National Palace, Council of Government Room
Date: April 26, 2005

This is a round table of donors and Dominican Government collaborators. This evening we want to discuss with all of you an issue of utmost importance concerning achieving the Millennium Development Goals (MDGs) here in the Dominican Republic. We know that you all have vast knowledge, not only regarding the MDGs, but also the work of the Presidential Commission on the Millennium Development Goals and Sustainable Development (COPDES) and the fact that the President has created this Commission because it is one of the priorities of the Dominican Government.

We have a process here in the Dominican Republic which we are carrying out and it is the Millennium Development Goals (MDG) Needs Assessment. It is an inclusive process which has the support of several sectors of Dominican society, lead mainly by the Dominican Government but also with its great partner and collaborator, the United Nations System here in the country.

We also know that through the different work groups we have, each one led by a Minister, we have received the participation of several entities, including the World Bank, Inter-American Development Bank, USAID, GTZ, etc.

We are here today, because during these two days we have a very important person visiting us, a person who is here to offer his professional recommendation, to advise to the President, as well as advise the financial team on what criticism may arise concerning the aim of achieving the MDGs. Part of the methodology we have been following includes a step regarding an MDG finance strategy of how we are going to finance achieving the MDGs, particularly concerning the needs of the Dominican people.

Therefore, part of this process that we are carrying out is the Needs Assessment where tomorrow at 9:00 a.m, here in the Palace and all of you are invited to this event where will have presentations of the preliminary results of the Needs Assessment. We have groups such as Health, Education, Environment, Gender, Infrastructure, etc....

Also, another part of this process is a Cost Analysis of all the interventions regarding goods, services, infrastructure decided by members of this process, and validated by the National Planning Office.

Currently, we are here to discuss the economic situation, the macroeconomic framework, your country assistance strategies (CAS), the long-term viability of your CAS, what your participation in the process will be, your contribution in terms of the needs because this Needs Assessment has the year 2015 as its goal.

We know that right now we are in the midst of a Stand By Agreement with the International Monetary Fund but for us that is an opportunity to work together with you and implement the key reforms which include fiscal reforms, monetary financing, etc. but to finance the needs of the Dominican people with respect to the MDGs and the implications concerning fulfilling of the MDGs, but also programmatically, that is to say, that for us, you are also a partner within this process and that it is an historical moment for us because as one of the eight pilot countries of the United Nations Millennium Project, we are presenting an MDG Needs Assessment that we have developed in less than four months as part of an extremely influential process, which not only includes Working Groups, but also subgroups and sub-sub-groups and consultations with different sectors of society. Without further to do, I would like to give the floor to the Director of the National Planning Office, Mr. Guarocuya Felix.

Name: Mr. Guarocuya Felix
Title: Director-General, National Planning Office (ONAPLAN), Technical Secretariat of the Presidency, Dominican Republic
Event: Roundtable of Donors and Partners of the Dominican Government
Venue: National Palace, Council of Government Room
Date: April 26, 2005

Thank you very much, John.

Mr. Jeffrey Sachs, Director of the Institute for Earth Studies, Columbia University.

Dr. Onofre Rojas, National Officer for the European Development Funds.

Mr. Niky Fabiancic, Representative/ Coordinator of the United Nations System in the country.

Mr. John Gagain, Executive Director of the Presidential Commission for the Millennium Objectives and Sustainable Development.

Ladies and Gentlemen, financing agencies, cooperation agencies

It is up to me to welcome all of you this afternoon; we hope that there will be an exchange of positive ideas, on behalf of the Technical Secretariat of the Presidency, which has been working as Secretariat through the National Planning Office in a very active way with the Presidential Commission for achieving the Millennium Goals, with the United Nations Development Program, with the entire team of Jeffrey Sachs in New York, to effectively achieve a first estimation of the costs that the Dominican Republic would incur from the financial standpoint to reach the seven goals. You know that there are eight, but developing countries are responsible for seven; and to try and have indicators that will allow us to say that in the year 2015 we effectively have fulfilled the Millennium Goals.

This forms a part of one of the strategic lines of the Government Program. Many of you know that the government program has for strategic objectives. The first is maximum democracy; the second is strategy, which corresponds to the commitment to modernize the economy; the third corresponds to a strong commitment to social and territorial cohesion; and the fourth, we are talking about intelligent insertion into the international context.

The objective of strong commitment to social and territorial cohesion, contains practically all of the actions that with the objectives defined as the Millennium Goals, and the Government in this sense has been taking very, very appropriate steps, I would say, in a financing strategy for the country, both with the World Bank as well as with the Inter-American Development Bank, as well as effectively taking advantage, as John stated, of the stabilization program with the International Monetary Fund, to introduce institutional reforms that are key to fulfilling many of the Millennium Goals.

Within these reforms is the reform of the Budget System, reform of the Controlling System, reform of Public Credit, reform of the Treasury, which jointly establish a reform of the financial administration, not only of the Central Government, but of the State and this implies having much more solid, much more transparent institutions, in order to have a better criteria for allocating resources, in this case the resources that are required by the different sectors to fulfill the Millennium Goals.

Other institutional reforms, which evidently are going to be pending, form a part of the country's agenda, which in this regard within the framework of the CEPAL agreement, we are going to prepare a document, "Dominican Republic 2025 or Dominican Republic 2030". We still do not know exactly where we are going to make the cutoff, but it is a prospectus study that allows us to establish a future map of where the Dominican Republic wants to be in the next 20, 25 years.

Everyone knows that our macroeconomic context has had very significant changes in the recent past, everyone knows about the financial and monetary crisis that the Dominican Republic has experienced and that has brought us for the third time to an agreement with the International Monetary Fund, in less than 18 months, and everyone also knows that in August of last year we entered a stabilization process, with a structured framework of policies, much more consistent from the monetary standpoint, from the fiscal standpoint and also structured within this stabilization agreement with the IMF, and you know that the January 31 letter of this year contemplates an agreement of about 28 months. Within this agreement, we logically have certain limitations from the budget standpoint, but there are other reforms that are contemplated, such as a fiscal reform which already has a timetable more or less established within the standby letter with the Fund and which we will have to begin to discuss internally in the Government, and then with society, where the Millennium Goals will have to have a very important part when discussing which are the objectives that we, as a society, especially if we are talking about a society that wants more social cohesion and a society that wants a greater vision of the future, we necessarily have to introduce the Millennium Development Goals.

And within the Technical Secretariat, with the support of a unit that is very important in all aspects for the Secretariat, which is the economic analysis unit, as the social investigation unit, we are and will continue to work, especially on certain aspects from the budgetary standpoint.

We want to move to a budget with results that will allow us to follow up on the indicators for many of the programs that have to be established within the framework of fulfilling the MDG's.

We have tentatively begun our internal work in ONAPLAN; we have to do so within the framework of the Technical Secretariat, including the National Budget Office, so that in the year 2006, we will restart an exercise that was stopped in 2002. I know that Environment in this case had, has been, the institution that achieved the most, although it did not receive much follow-up, and in having a budget with results, at least with two programs in the social sector, perhaps in the area of healthcare, in the area of education, and these are elements that we have to look at and have to define.

I do not want to tire you; I will reiterate the welcome this afternoon to this working table, to this table for exchanging ideas, and thank you on behalf of the Technical Secretariat and especially the National Planning Office.

The fact that the National Planning Office as part of the Technical Secretariat of the Presidency has participated in response to a request from the Presidential Commission to establish the costs for the Dominican Republic of fulfilling said objectives is not a coincidence, but rather is related to the functions of the National Planning Office itself, as is the programming of the budget for public and sector investment.

Name: Dr. Jeffrey Sachs
Title: Special Advisor to the U.N. Secretary-General for the MDGs and Director of the U.N. Millennium Project
Event: Roundtable of Donors and Partners of the Dominican Government
Venue: National Palace, Council of Government Room
Date: April 26, 2005

Thank you, John, thank you Mr. Secretary, it is a pleasure to be here to bring myself up to date with regard to the progress of the country. When I was here, the crisis was still very severe some months ago, and the President was just beginning, and I felt that there would be a considerable change. It is so good to see an agreement with the International Monetary Fund, for reducing the debt, improvement in national indicators, among other things.

Perhaps I am only touching the surface, but it seems to me that the Dominican Republic is on the path to coming out of this very grave and horrendous crisis situation, and soon we will think again of issues concerning short and long-term development and not of the intense pain of macroeconomic crisis and of course, the middle of March 2015.

For the Millennium Development Goals, I think that it is a good temporary horizon and I am happy that there is also a report from the Dominican Republic for the year 2025, I think that having a 10 or 20 year perspective is very good.

I just published a book about the 20 year perspective for the world saying that we could end poverty by the year 2025; and I am sure that the Dominican Republic is going to eliminate extreme poverty in this country by the year 2025, although I would hope that you would end it by 2015 to reach all of the challenges of the Millennium Development Goals.

John and the Presidential Commission have been heading quite a fascinating process. Just to give you a little history, the Secretary General of the United Nations, Kofi Annan, asked me to mobilize a team of specialists in New York and a network of specialists all over the world, to try and identify practical ways to achieve the Millennium Development Goals, and some of my colleagues in the project are here today in this room, Guido Schmidt Traub, Lenora Suki, who have been working on the project for the past several years, as has Gordon McCord, and Mariana Kastrinakis, who has joined the team.

And we have presented 14 volumes that we sent to the Secretary General in January, of about two thousand pages that may make him sleep at night, but I am convinced that he will read it, although fortunately there are about 70 pages with the main conclusions.

The basic conclusions from the report are that the Millennium Development Goals are achievable. I would say that any country in the world that has a time horizon of 10 years can achieve them, but what they require is a focused effort. Likewise, there is no country with the level of income in this as that of the Dominican Republic; there are more poor that I hope can satisfy the Millennium Development Goals, because it is not only a matter of market forces, not only a matter of income, but also a matter of focalized investments in priority areas.

Income alone, even if we don't say maternal health, if we don't say mother-child health, you need other types of care for that, increased income does not indicate that infant mortality is going to go down by two thirds, or that the spaces will be reduced; a subtle system of regulations and administration is needed. We don't know what to do without safety of any kind, although we know that it requires effort, and I think that that is true; and more so in the Dominican Republic. And allow me to say, that if it is true in Ethiopia, where I think it is, there is no doubt that it is true in the Dominican Republic.

It could be said that the Dominican Republic is on the path to achieving many if not the majority of the goals already, and I believe that with investments all of the MDG's will be achieved, assuming that the country returns to the path of increasing its revenue and normal development, which is something that I really hope will fully occur.

It also seems clear that there are many MDG's that are not going to be reached given the current course. This is something that has to be studied, that has to be analyzed, that has to be worked on, and that is something that the amazing Presidential Commission is doing.

We have selected as part of the Millennium Project, some 10 country counterparts all over the world, to be called the pilot countries. No one necessarily wants to be a pilot country, but in this sense the Dominican Republic is a pioneer in this process.

The question of how the national strategy can develop in very practical operational ways to achieve the Millennium Development Goals, President Fernandez, acting in a very wise manner, has placed it at the presidential level, saying that there should be a Presidential Commission, with politically key objectives for the country, which has made a very substantial effort. My colleagues have enjoyed working closely with this Commission in recent months, and I have been very pleased about receiving a partial report this afternoon and more so, when I receive it [sic] complete tomorrow.

A number of things are already clear to me, which is why I only want to place them on the table as a basis for our discussion. First, this country, in fact, let's start from the past; the idea of planning based on objectives as we say. These are our objectives for 2015 and we are going to implement specific operational plans to achieve the objectives that are a decade away.

This is not an easy process, but I think it is the right process for the government, and in fact is different from, let's say, the plan of the Dominican Republic for 2025, because this process of the Dominican Republic for 2025 is like a vision statement, it helps people to have an idea, a vision of the path that the country should follow.

This is very important, but in fact, this is trying to be operational, and I would say that it is operational in a way that is quite different from the normal government program, because the government will be in power for four years and perhaps will design a four-year program as part of its selection, of its commitment to the people in the elections, and perhaps it will have a three-year framework for spending as part of the agreements and that also is normal. But this is taking a different horizon; this is taking a 10-year horizon. We are talking about structural changes, and how to implement it through investments, concerted political strategies, so it is more specific than a vision, is much more long term than a typical program, and finally, it is based on trying to achieve an objective. In this sense, a set of ten-year quantitative objectives, so it is like shooting at the moon, it is like shooting at that place, out there, a decade away.

The first thing I have been observing in this process, is that it is creating many new types of discussions within the government, because government programs generally are not based on this type of orientation towards objectives, thinking that objectives are very brief, very short-term macroeconomic objectives and the credit-budget situation, to lower inflation, to maintain a stable exchange rate, in other words, is not based on achieving certain development objectives and certainly is not based on achieving a reduction in the rate of infant mortality or on reducing the rate of maternal mortality, or reducing poverty, access to water and sanitation. No program is based on this type of thing, which is why I have observed on speaking with John and his colleagues in the last several months that many diverse discussions and free thinking are lacking, but in an open way, which is not usually the case in Government, and I would like to ask all of you to support this process and that you be active in it, but I think that it is very important to seek various ways to approach these problems.

It is very clear that many of the key systems in the country are not oriented toward the MDG's. For example, the Healthcare Sector, which we discussed this afternoon, works with a lot of inefficiency and many of the basic things that would be needed are not currently functioning, because the infant mortality rates are so high, the maternal mortality rates are also too high; in its normal role, the government does not lend systematic attention to these issues, does not provide much monitoring, measuring, nor designing of policies to achieve the goals or so that these indicators in fact are aimed at the target, and a large part of what we discussed this afternoon is the fact that the system does not in fact function and that this is not a matter of the resources not being available, but rather that it is the responsibility of us present here and in many ways this is easier to resolve than if it were simply a matter of the lack of resources.

One of the things that reminded me of many other countries in this region is that the turnover of professionals after each election is too high. Because if you have a good level of professional personnel in the hospitals, clinics, district offices that change politically instead of strengthening these professional positions, then there will be great stability [sic] in the system and in fact very little responsibility, because people are being brought in who do not know what they are doing. It takes them 18 months to learn, then they have one or two more years remaining, and then there is another election and the results are foreseeably poor and this reminds me of when I was advising the government of Bolivia in the 1980's, where about 40 thousand workers were substituted from their positions when there was a change of government, while the following year, when I was in Japan, I was impressed to see how only the thirteen ministerial positions changed, all of the other professionals in the public sector remained the same. I am not sure if either of the two parties was in the right, but I would say that something between more than the 13 and the 40 thousand is going to make a lot more sense. What I have heard a lot is how many jobs change due to political reasons in this country, and this in fact is a very serious problem, because it is understood that a lot of politics and little implementation is involved.

I think that the recommendation is that there be a professional and not political sense to each job, whether in education, health, nutrition, sanitation, environment, among other areas, because this is how you are going to achieve the goals; in other words, that people have career expectations, not only because of politics but professionally, and this is the type of thing that will help the process succeed, and where we must really open our way of thinking expansively to have professional focuses on these issues.

It is also clear that when people die due to negligence in hospitals, there is impunity. Although the statistics are not counted and certainly are not published, there is no liability in the system. Goals must be set in the system so that it is accountable, so that alarms go off and there is a way for public administrators to be responsible for these acts. It is very clear that without this the goals will also not be achieved, so we should say that province by province we need indicators for these Millennium Development Goals for infant mortality, maternal mortality, hunger, access to freshwater, etc., to know what is happening and if there have been changes in the right direction and when there have been no changes in the right direction or at an adequate rate, then some type of public accountability should be put into the process.

And a large part of what we discussed this afternoon also had to do with the fact that the communities seemed to have very little input with regard to the quality of services; so, of the schools with primary healthcare units, they are not working well at the national level, in other words, there is not necessarily a response available for the communities, to make suppliers accountable for public services and this is another thing that needs to be overcome in the process.

I believe, however, that we are also going to find that resources are important issues; this remains to be seen, it is still not a fact. There is a relatively high number of social actors, for example in the Dominican Republic, who still feel that they are not performing optimally now; for example, it seems that there is an incredible shortage of nurses and this could require that nurses receive higher remuneration, or that for more nurses to be trained may require that the system change. Also implying resources, perhaps more infrastructure is needed; I don't know, I think that what we are going to find is that there is a balance among systems, policies and resources, and what that balance is, is

still not clear to me and we were working a great deal in South Africa, and I can tell you that there everything is about resources; simply stated, in extreme poverty there is nothing, so even before getting to systems we have to achieve the most difficult part, and that is that there be electricity and water and these don't exist in most of Africa. So it is mainly a matter of resources. I can see that it is less about resource constraints than it is about administration, and I think that we have to keep the process in mind in order to know what the investment needs are that go together with the needs for system reform and then take the next steps to see how we are going to put them into practice. So it is abundantly clear that if this is going to work, it is going to have to go further than politics, there is going to have to be a National Consensus that it makes no difference who wins the elections so that in 2015 the country can get to a place, a place where boys and girls are not dying due to lack of access to medical care or potable water, in other words, these have to become national objectives, not party politics, not the objectives of the president but rather the objectives of the country.

I know that I am a little naive, but I am not totally naive about when to quantify, so we need to get the politics out of this; this is part of what has to be done, so the recommendations from this report have to go to the President, to the Presidential Commission, but also to Congress.

And somehow it has to be seen. The country has to feel ownership of this. And the partners in development as well, not only as a report to the President, but what really has to be done to achieve this.

Something that I think is vital is that the IMF, the World Bank and the U.N. and this Commission work together closely, to complete the work of the Commission, because this is not usually the case and it will have to be the case, in an extremely vital way. And particularly with the IMF, these issues are not issues that typically concern them, but they are basic issues that have to do with the budget. So the IMF starts out with a macroeconomic perspective in which the budget deficit has to be such percent and the debt and the net international reserves and credit expansion have to be such and such, and we have to join a 10-year macroeconomic perspective with a macroeconomic perspective of stability and we have to understand what the implications of this are.

One thing that all this Millennium Project is based on is the idea that the world has said, and that is the world as represented at this Roundtable, that to a certain extent these objectives are priority and that we are going to see how to achieve them within the context of macroeconomic stability instead of macroeconomic stability as the basis and then whether the objectives can be met or cannot be met.

And what this means is the following, in practical terms: assume that more resources are needed to achieve these objectives than those that are available now. You must find the resources in a macroeconomically responsible way; no one recommends that the Government simply print money and more money, to finance the gap, this is contrary to the recommendations. The question is how can the necessities be financed, perhaps we will find that you don't need more resources, only better administration. We owe, but we need more resources. So it's a matter of solid growth. Will this take care of the resources? And then in Africa, the answer undoubtedly is that this will bring us closer, but it won't be enough, so one has to start by asking what to do about this. The first thing that needs to be done is that if there are unnecessary expenditures, reduce them, to reduce non priority spending, then make new allotments in the budgets on priority or low priority areas. I would favor doing that first. Second is to mobilize revenue that is perhaps already on the books, but is not received because fiscal administration isn't working, so adjusting fiscal administration is a second issue. The third is to perhaps mobilize domestic resources, thinking about the year 2015. In doing this, one has to think about the financing of the healthcare sector, medical care, in different ways; I am not making any recommendations to the Table, but in general, for example, I think that the country cannot charge fees for services. When services are delivered, it is expected that a poor person will not pay anything. I think that everything should be free at the point of service, but this perhaps means that there is some type of contribution system for one type of national healthcare system that is more ambitious than the one that is currently functioning. In other words, that could be one reform in the way it functions.

I also think that the fees paid by the users at the point of entry, is terrible. I think that is why many poor people die and finally (and I say finally because in the Dominican Republic it really must be final; while in Ethiopia this is the first thing) the development partners probably can have a role to play and in the end there may be a gap still in functioning that must be closed through some type of financial assistance; then there could be a hierarchy in terms of financial health, to be moved; perhaps it can be done with loans, although this is not enough, from the IDB or perhaps this would not be good because there would be too much debt. So assistance would have to be sought in some way or another at a higher rate, perhaps the Paris Club which is already dealing with part of the debt; perhaps it would take a more fundamental reduction of this load as part of achieving the Millennium Development Goals in this country.

I don't want to prejudge any of this but what I do want to say is that all of the people in the Dominican Republic and all of the partners at the Table sign so as to facilitate achieving of the MDG's by the countries of the world. The goals have to be taken seriously, one can't say "Oh, I am so sorry, we couldn't reach them" but rather, "we are going to reach them. We have to see what is needed to reach them".

That is what the Commission is going to report in terms of investment policy, then the time comes to sit down and say what the macroeconomic framework is that makes this possible to achieve. There is the mobilization of national resources, the change from low priority spending to higher priority spending, international financing, loans, grants, debt relief, and I think that that is the exercise we have to ensure occurs in the next few months so that there is a viable 10-year strategy.

I told the other group an hour ago that this is truly a pioneer process, this is not exactly how governments normally operate, and this is not how the international community normally operates. We are trying to do something in the new millennium that is different, to set goals and try to achieve them, and very valuable goals, very bold ones, and I think that we can reach them if we go outside the box, thinking in a cooperative way and responsibly seeing what we established in the MDG's and at Monterrey.

And I think that if we do it in the Dominican Republic, it will be history if it's done and we will be a very powerful example for other countries in this region, and certainly in the rest of the world also, and I am confident that this is the place that can do it. This is country that we know can grow rapidly, I hope that it will have rapid growth again, it is a country with a history, a President with a history. I think that that will be the key to everything that we are going to achieve. And something else I think is important for the Dominican Republic is that the capacity of the country to achieve these objectives depends on Haiti, that Haiti also enters a path to development; it is something that has escaped Haiti for generations, because the interconnections between Haiti and the Dominican Republic are really very serious. They are serious in terms of health, they are serious in terms of the Environment, they are serious in terms of many other fiscal type issues, in public administration and in many other ways, and I think, I hope, that we can discuss this a little more today, but certainly I hope to discuss this with the President, ways in which even in our context, from here we can learn to promote a much more ambitious and coherent strategy in Haiti. Haiti desperately needs us, but also the result for the Dominican Republic will be enormously positive, and we should keep in mind that that is very serious as well.

Thank you.

Name: Dr. Jeffrey Sachs
Title: Special Advisor to the U.N. Secretary-General for the MDGs and Director of the U.N. Millennium Project
Event: Launching of the U.N. Millennium Project's Report "Investing in Development: A Practical Plan for Achieving the Millennium Development Goals"
Venue: National Palace, Ambassadors Room
Date: April 26, 2005

I am very pleased to have this opportunity today to stand before you and present not only a book to President Fernandez, but I am going to give him a package of two books, because it is a wonderful opportunity to speak about the year 2015, which is the deadline for achieving the MDGs, and it's also an opportunity for me to speak ten years later about that, which is a book I just published a few weeks ago called "The End of Poverty", because basically these two books suggest something that is very important for the Dominican Republic and I believe for all of us, I hope for all of us.

The MDGs are goals that ask the world to make a common effort to reduce poverty in half by the year 2015, and if we think deeply about that, and I have felt very fortunate to have such wonderful colleagues as John Gagain and many colleagues from the United Nations, like Niky Fabiancic, and many of the experts who have contributed to this.

When we hear about the MDGs and the objective of reducing poverty in half by the year 2015, we realize that we have an even more astounding opportunity facing us, and that is the subject of my book "The End of Poverty", which says that 2015 is an achievable date, we can reduce extreme poverty in half in a decade, we can do more. The MDGs can reduce infant mortality and the mortality of mothers at childbirth, reduce hunger, ensure access to drinking water, to sanitation, we can do these things by the year 2015 and as these things are done we can prepare the way to completely end the type of suffering that comes with the extreme needs that so many people face around the world and we can do this, our generation by the year 2015, and if you will allow me, Mr. President. I would like to present to you the two-step plan and share some things concerning how this can be achieved in this country and around the world.

I think there is something very important that I should perhaps correct. The MDG's are not the goals of the United Nations, although they were objectives that were suggested by Secretary General Kofi Annan at the beginning of the new millennium.

The MDGs are our goals; they are the goals that have been adopted by the 191 members of the United Nations, during the Millennium Summit in September 2000. Five years ago at the largest assembly of world leaders in history, one hundred forty-seven heads of state and government and representatives, the largest number of United Nations Member States met at the beginning of the new millennium and realized something very important, and that was that the beginning of the new millennium was the time of great potential for the development of human beings, because the millennium was unfolding with more scientific knowledge, more technological knowledge, more economic wealth than had ever been imagined in the past history of human beings. We also entered the new millennium with anxiety and uncertainty, and in spite of all the wealth, with tremendous suffering throughout the world, and what the world leaders realized is that this suffering that exists could be alleviated, for our safety on this planet, so they decided in September of the year 2000, acting together, as a global community to find practical ways to reducing extreme poverty, the type of poverty that leaves children at the threshold of death, that leaves mothers dying because they cannot obtain emergency medical care, that leaves one billion people in the world fighting against chronic hunger, that these problems had and begged for a solution with all of the science, technology and wealth that we have before us, so the adopted the eight MDGs, the Dominican Republic, the United States, all of the United Nations Member States.

Approximately one and a half years later, in March of 2002, the world leaders met once again, this time in Monterrey, Mexico, and they in fact started a plan, a design in general terms of how this global association could be carried out to achieve the MDGs, and this is called the Monterrey Consensus, and is in fact a wonderful document, it is a document that is signed by rich countries, poor countries, where there is a common agreement; that the countries are going to be well-governed, that the rich countries are going to help the poor ones through financing, that the countries are going to live with civilized rules of international trade, that the rich countries are going to help the poor ones to obtain technology that they need to achieve these objectives of reducing extreme poverty.

For a while it seemed that we were on the right path, on the path of true progress, and I would say in the past two years, however, we feel quite disappointed, the world that we knew went off course, from thinking about these issues, September 11th happened, two wars in Afghanistan, then Iraq, and very sour debates in the international community about the course of global events, and we have lost time and time for us could be a matter of convenience or not, but losing time for the poor of the world means death, because the extreme poverty that millions of people suffer on the planet is so acute that eight million people die simply because they are too poor to survive, they die of hunger, they die of treatable diseases, preventable diseases, lack of access, the mothers in childbirth because they are too poor to have access to the basic needs to survive, we have lost time.

But something else is achievable: I was asked, I was given the honor of being an advisor on these issues, of organizing a worldwide effort to try and think in a coherent, concrete and specific way about what could be done to reach 2015 without regretting the fact that once again we did not reach the goals, that we could reach 2015 having achieved these objectives and creating the Millennium Project with 267 scientists who are experts in development, business leaders, civil society organizations, leaders from all over the world, we organized into ten working groups, then the poor Secretary General had to receive fourteen volumes from us on January 17 of this year, 2,700 pages, but these fourteen volumes had an objective, including the volume on the perspective that I just gave to President Fernandez, which said, whether it was the one on HIV/AIDS or the volume on malaria or the one on tuberculosis or concerning hunger, or water and sanitation, what these studies have demonstrated is that yes, in fact we have practical ways of helping the poorest, we can reach them in time, by 2015. Not one thing is asked for that has not been promised to the rich countries or to the poor; all we have to say to the countries is “do what you said you would do! You don’t have to do anything else, don’t make any new promises, simply do what you said you would do”, and if it’s done by 2015, you will be saving 8 million people each year, who if they did not die early in pain, tragically, would allow economies that are stagnated in poverty to escape from this trap that is poverty, will allow all parts of the world to enter the path of economic development, and as I argued already in the book, the end of poverty, do it, do it ten years after 2015 and let’s take this all the way, end extreme poverty, not make any new promises, but just follow what we said we would do. So we have tried to start this with the guidance of the Secretary General.

We are looking all over the world for countries where there is dynamic leadership and a commitment to the fight against extreme poverty to find ten countries that will be the pioneers in this process; we call them “pilot countries”, and of course, the reason why I am here today is because we feel extremely proud and pleased that with President Fernandez, the government of the Dominican Republic, and the people of the Dominican Republic—the Dominican Republic is one of the ten pilot countries.

And President Fernandez did something extremely important at the beginning of his administration, and that was to establish a Presidential Commission on the Millennium Development Goals to ensure that these basic goals for the people of this country, will receive the due focus and priority, analytical attention and political weight, so that this country can achieve the MDGs by 2015.

Today we have met with the Commission and we have begun a two day review of the work of the Commission under the leadership of John Gagain, and with the participation of the United Nations Agencies, with the cooperation of the development partners in the country, the support of the World Bank and of the International

Monetary Fund, and the support of many, many experts from this country in the areas of health, agriculture, infrastructure, ecology, environmental protection, among other critical aspects of the fight against extreme poverty. We have had half a day of meetings so far and tomorrow we will have more specific meetings about this.

Allow me to quickly share with you what I think that we are finding, although the work of the Commission is underway: First, there has been tremendous progress, and second, I believe that we should say, John, that your entire team and all of those listening are very excited about the progress and the process... why? Because instead of the government doing things every day the way they did in the past, perhaps to a greater or lesser extent, the idea here is to reach for the stars, ask how we can get from here to there, it is not simply to establish beautiful objectives, but rather to be practical regarding them, what is needed so that infant mortality is reduced by two thirds, what is required to reach the cane growers to help them escape from extreme poverty, what is needed to save mothers who are dying in childbirth in this country in numbers that are too great, because a country with these revenues and these capacities can save a mother in childbirth. This is still very significant, and it is controllable and solvable, so this is an exciting process because it is not the government as it has always been, but the government heading toward where the country wants to be.

And what is also exciting about this is that it is not only a matter of party politics. No government, no country is the owner of these goals; they are the goals of the Dominican Republic and of the people all over the world. They are everyone's goals, and no political party is going to say "we are not in agreement with reducing infant mortality by two thirds, these are not our goals". No one is going to say "we didn't sign on with this fight against malaria or for treating people with AIDS". These are the goals for the entire country, so the process has been extremely exciting.

But the third point I want to mention is that it has also been extremely interesting and a challenge, because it is easy to state objectives, we do it all the time, but it is much more difficult to fulfill the objectives. We know this, and usually it seems that when we achieve the objectives it is almost as if we stumble at the end. What is not so easy is to plan a ten-year process to say "we're here today and this is where we should be in ten years". How are we going to get there in a systematic way so that the whole country comes together in a serious process that will bring together people and that demands respect from both parties, from Congress, from civil society, from the provinces, from the national government? And that is the challenge, the challenge with which this Commission is struggling and the challenge against which the country is going to struggle very soon, when the Commission issues a report, which I am sure will be very exciting.

There are many specific objectives, fighting against specific diseases, helping to ensure that there is drinking water available, providing emergency obstetric care even for young adolescents who are dying in labor at childbirth, making hospitals function adequately, because they are not functioning as they should, with the best standards that can be achieved. The Commission is working in each area, on every detail, understanding what it is we are seeing. It is a matter of financial resources, there is a need for new investments, for building new clinics, schools, roads, or the matter of political processes, of how the government is or is not responsible for these tasks, or the matter of how the local government is acting or party politics? These are some of the challenges that are being analyzed right now, and I can tell you briefly, having listened for several hours to the discussion, that what they are finding is fascinating.

To the previous questions, the answer is yes, a little of everything that we have talked about before, it is partly political, partly management, science and technology, party resources that must be invested in these critical areas. But there is an overwhelming truth that we are finding, Mr. President, distinguished representatives: We are finding that these objectives are achievable and the Dominican Republic has all of the motives possible to expect that the entire country can cross this finish line by 2015, and that the country will be free of extreme poverty, and that it has a healthcare system, that the country will feel proud, that it has created jobs and that it is protecting the physical environment of the country, and I believe that this is the most pleasing and the most important news of all.

All those who know me know that I am tremendously optimistic regarding the Dominican Republic, because I can't help it, so when I have come in the middle of a crisis I say to you "don't worry, this will soon pass". When I was here, when the President was entering office and there was a tremendous economic crisis, and the currency was very low and interests were incredibly high, you hadn't seen anything like this, I said "it's ok, I know the Dominican Republic, you will get through this". And I have been so happy that when I returned, once again I had been right: the country is in fact coming out of the crisis.

But this does not mean that you don't have more to do, because coming out of a crisis means that you are reaching a point where you can think, not about tomorrow, or next week, about the next points, but about 2015 or 2025; not unrealistic fantasies, but realistic possibilities for this country.

Allow me to say, on behalf of the Secretary General, on behalf of the Millennium Project that I head, that it is a tremendous honor for us to be working with you in the Dominican Republic, it is a great privilege and also it is extremely exciting because you are going to prove that we have been right all along.

Thank you!!

Name: Dr. Leonel Fernandez
Title: President of the Dominican Republic
Event: Launching of the U.N. Millennium Project's Report "Investing in Development: A Practical Plan for Achieving the Millennium Development Goals"
Venue: National Palace, Ambassadors Room
Date: April 26, 2005

Professor Jeffrey Sachs, Director of Columbia University's Earth Institute.
Secretaries of State
Ambassadors
Special Guests

I was able to observe with certain concern that, when the master of ceremonies introduced the members of the Head Table there was discrimination in the distribution of applause. Each one of the members received one round of applause, Professor Sachs received two rounds of applaudes and for the president there was no applause.

But this lack of applause was greatly compensated with two books that I have received as a gift from Professor Jeffrey Sachs and, of course, these two books have great value, not only for me, personally, but for all of us.

At one time, a great economist from Great Britain said that politicians are intellectual providers of the economies of the countries and it seems that he was right. But here, in our case, the Dominican Republic, at least, we politicians that belong to the political party in office are the intellectual winners of a living economist called Jeffrey Sachs. And, although I have referred to it before, perhaps this is the time to tell you how Professor Sachs came to us.

It was the year 1990, I was with architect Eduardo Selman in Massachusetts, it was terribly cold, I was running for vice-president and, because we knew we could win the elections, we were looking for alternatives to face the pressing situation of the country. There was a severe economic crisis in the country. We went, Selman and myself, to Harvard University and found Professor Jeffrey Sachs's cubicle and there we arrived that cold winter night in 1990.

And when we arrived at Professor Jeffrey Sachs's cubicle we were told "Professor Jeffrey Sachs is in Poland, he is advising the Polish government" and we asked "when is he coming back?" and they told us "we do not know because from there he is going to advise the Russian government". At that time he was the global advisor of all countries in crisis.

We were not lucky enough to see Professor Sachs at that time but, later, after our term in office was over in the year 2000, we went back and, this time, we had the good fortune of meeting with Jeffrey Sachs and including him in the projects for the future of the Dominican Republic.

Later, I have said to him that in reality perhaps he has been the only economist that has been looked for in two different centuries, in the 20th century and the 21st century because in effect it happened during this period of historical transition.

Therefore, we started to work with Professor Jeffrey Sachs as of the year 2001 in the design of a series of proposals for the country starting with what is called the competitiveness strategy for the Dominican Republic and jointly with a group of his collaborators that had been in the Center for International Development (CID) at Harvard University and who later went to Columbia University's Earth Institute.

We started to review all the topics related to trade policies, those that had to do with the development of small, medium and micro enterprises, development of education, and information technology within a national development plan and of competitiveness. All these ideas, in fact, have proven to be very useful as we tried to have a horizon of which are the main challenges that the Dominican Republic has in its near future, as well as on a medium and long term basis.

And, naturally, knowing the depth of the economic and financial crisis that has affected the Dominican Republic during the last few years, we looked for his recommendations and advice to try to have a finished diagnosis of the national situation, as well as suggestions on how to face these problems that have recently caused so many difficulties in the Dominican Republic.

Professor Jeffrey Sachs, with the generosity that is typical in him, has said here tonight that he is observing how the Dominican Republic is starting to come out of this deep crisis that has assailed us. What he has not told you is that he is responsible for the ideas that have allowed us to conquer this crisis because it was in consultation with him, that we in effect received his orientations, his advice, and his criteria as to how to come out successfully of this terrible situation that affected our nation during the last few years.

Thus, I believe that we already have the medicine in the Dominican Republic. When there is a crisis, we look for Professor Jeffrey Sachs. This will allow us to get out of the crisis in a shorter period of time and, in some way, make the situation as less difficult and traumatic as possible.

Now Professor Jeffrey Sachs presents to us two books that, as soon as he compensated me for the lack of applause with the books, John Gagain came and took from me immediately, but I will examine them carefully. However, I do want to say that the titles are very suggestive and attractive. "Investing in Development" is the title of the 2,700 page collection that Professor Jeffrey Sachs has said represent the United Nations system to try to achieve the objective of reducing in half the extreme poverty in the planet and the second one is a book of which he is directly the author of and entitled "The End of Poverty", a title that seems to me more fortunate than "The End of History" by Francis Fukuyama because, besides being more realistic, it is more in tune with our objectives. We do not want to end history, here, what we want is to end poverty and it is much more pertinent and relevant to be able to have a text of this nature on these subjects.

And we share with Professor Jeffrey Sachs the idea that, in effect, extreme poverty and poverty in general cannot only be mitigated, it can, in effect, be eradicated but this requires a set of policies, it requires a working methodology, it requires national unity that links the government with the private sector and with civil society, with the academic world and with all the actors of a society determined to, based on this, identify what accrued historical problems have prevented the country from reaching new sources for generating wealth, a more equal distribution of said national wealth and the creation of opportunities that dignify human beings as such and nobody can make such a dramatic and keen transformation in the life of a nation if they do not have the intellectual capital, if they do not have the ideas, if the criteria and the concepts that are the basis for a modification and a transformation of this kind is lacking.

Therefore, these texts that Professor Jeffrey Sachs presents to us tonight, I would say have the inherent value of the ideas that will serve as the basis to achieve in practice, the goal of eradicating poverty in the Dominican Republic and, in the case of United Nations, of all countries that are affected by a similar situation.

I also share your optimism and the sense that if we join efforts in the Dominican Republic, especially the political parties that have great responsibility towards the people, that the conflicts that are secondary such as the struggle for power are subordinated to national interest; that we can reach practical agreements about what has to be done and to have matrixes, effective and lasting matrixes so that in a democratic system where power is alternated, the party that directs the destiny of the country by choice of the people knows that they do not have to start from zero; that there are determined criteria, theoretical basis that already exist, that have been examined, that have been

converted into practical points on which we have agreed, we also agree that they should not be changed because they produce good results and that based on this, we will move forward.

I say that perhaps one of the challenges that we face from the perspective of the political process is that every four years there are elections and that with elections there is a change in the political parties in power and that the problem in Latin America is that the democratic system has hindered the political continuity of the State and that in this sense we cannot...well; other regimes contemplate continuity in the application of State policy.

What has to be learned is that political parties have their own identities, their own criteria, their own ideology, their own programs, but there are basic things that are unchangeable and that, based on this, democratic parties, competing in the electoral arena within a plural system can effectively apply values, principles, political standards that go beyond their limited government period and it is on the basis of guaranteed continuous public policies that countries are in effect transformed, four years is very little, eight also, 12 as well.

This has to be looked at on a long term basis and democratically; nobody can last for such a long time in power because, even if they are doing a good job, it generates fatigue, it generates the need for change, so I think that the important thing is to assume ownership of these ideas, they do not belong to anybody, but rather to everyone; to share them and make a formal political commitment that no matter who is in power, there is a commitment before the nation to in effect work to dignify the Dominican nation so that there are job opportunities, vocation, so that everybody has access to running water, that there is a healthy environment in the Dominican Republic and I believe this is how we can move forward.

So Professor Sachs, once more we are very honored by your presence, each time you visit us you do more than nurture and feed us to continue with this tough battle that we have ahead of us in the Dominican Republic to satisfy the great expectations, the great trust that our population has that the political class will reach the level of their great hopes and great utopias.

Thank you and thank all of you!

Name: Mr. John R. Gagain Jr.
Title: Executive Director, Presidential Commission on the Millennium Development Goals and Sustainable Development (COPDES)
Event: Presentation of the Preliminary Results of the MDG Needs Assessment
Venue: National Palace, Las Cariátides Room
Date: April 27, 2005

His Excellency, Dr. Leonel Fernández, Constitutional President of the Republic;
Honorable Dr. Margarita Cedeño de Fernández, First Lady of the Republic;
His Excellency, Dr. Rafael Alburquerque, Vice President of the Republic;
Honorable Dr. Jeffrey Sachs, Special Advisor to the U.N. Secretary-General
Officials of the U.N. System, World Bank, Inter-American Development Bank,
Distinguished Guests, Ministers, Diplomatic Corp,
United Nations Millennium Project staff,
Friends

When we last met on December 3rd, we as a country launched a report that spoke not only of the projected possibilities of achieving the Millennium Development Goals (MDGs), most of which state that achieving the MDGs under the current situation are not likely or improbable, but also on that same occasion, we responded firmly by launching a framework, a multisectoral structure, led by President Fernandez and various Ministries, more formally referred to as the Presidential Commission on the Millennium Development Goals and Sustainable Development (COPDES).

Since that day, less than 4 months later, this structure and process have converted themselves into what other Member States at U.N. Headquarters in New York City, development experts, professors, our President, and others have called the “Dominican Model”.

Mr. President, this structure the “Dominican Model”, has converted itself into a system includes: Nine working groups, with an additional more than 20 sub-groups and several sub-sub-groups; multisectoral plenary meetings, technical meetings, joint government – U.N. Country team meetings, Cabinet meetings, small working groups, meetings with donors, etc.; A structure that permits the U.N. Country Team to designate a counterpart agency or agencies, which provides constant, local level technical assistance for ensuring our achievement of the MDGs; A pro-women approach to achieving the MDGs where the Ministry of Women’s Affairs (SEM) has designated representatives to all Sectoral Working Groups in order to ensure that gender is mainstreamed throughout the poverty eradication planning process.

This multisectoral / transversal approach put forth by SEM was followed, rightly so, by the Ministry of Environment and Natural Resources (SEMARN), which also designated representatives from the Ministry in order to maintain environment sustainability as a common thread throughout all sectors.

Mr. President, other institutions, including civil society and the private sector, even Comunidad Digna, designated representatives to the process. World Bank Country Representative, Christina Malmberg-Calvo designated representatives from the Santo Domingo Country Office as well as World Bank Headquarters in Washington, DC to each of the Working Groups. The Inter-American Development Bank (IADB) Country Director, Moises Pineda assigned Mr. Armando Godinez as his representative to the MDG process. Cooperación Española, USAID, GTZ, and other development assistance agencies have participated actively in the process as well.

We must thank Dr. Jeffrey Sachs, Lenora Suki, Guido Schmidt-Traub, John McArthur, Chandrika Bahadur, Margaret Kruk, Mariana Kastrinakis and the rest of the U.N. Millennium Project team who have also provided

Sectoral, as well as overall technical support, both directly and through the U.N. Country Team. Special thanks to our colleagues and partners at the U.N. Country Team, especially Niky Fabiancic and Fernando Ferran who have led this effort to date.

Mr. President, as you know, after having consulted the Technical Secretary, we have made the National Planning Office (ONAPLAN) a full partner in this process, due to its technical expertise, its mandate, and the importance of directly aligning this process, particularly the MDG Needs Assessment, to the 2006 National Budget.

Mr. President, with your vision of having made the MDGs a priority, by creating the COPDES and asking the Ministers to work collaboratively with the Technical Secretariat and ONAPLAN, the MDGs have managed to break the historical tendency of planning the following year's budget based upon previous public expenditures.

Together (and I repeat "together"), we as a government, we as a nation are looking to the future.

Mr. President, next year's budget will be based upon results; it will be based upon the needs of the people, particularly the most marginalized populations, based upon medium and long-term goals; and it will work to ensure that the Dominican Republic achieves the Millennium Development Goals for the year 2015.

Today is the day Mr. President. In less than just four months, the Ministers, along with the Working Group Coordinators, Analysts, and partners, were able to compile the preliminary results of the Dominican Republic "MDG Needs Assessment", which as you know will not only serve as a basis for revising our country's Poverty Reduction Strategy (PRS), but also our 10 year National Sustainable Development Strategy (NSDS). It will also serve as a basis for your speech before the U.N. General Assembly in September, which is the 60th Anniversary of the United Nations, the 5-year anniversary of the Millennium Summit and potentially the largest gathering of Heads of State in the history of the world.

It is an honor to be one of the eight pilot countries of the U.N. Millennium Project, however, this privilege has not only been an honor globally, but its implications at the national and local level have been vital to the sustainable development of the Dominican Republic.

The virtue of the MDG Needs Assessment planning process is that it has forced answers to pivotal questions out in the open—all of which are important to our long-term development. The answers include new policy options, new laws, modification of existing laws, institutional change, coherent and effective responses to natural disasters, salary increases for our key services providers; and the capacity building of doctors, teachers, hospital managers, and public administration officials.

Although we have made much progress, this process has had significant challenges.

Mr. President, this process has brought about a paradigm shift in the way in which government operates, among itself, and with society. Sectors, which have traditionally not worked together in the past, must work together now, in order to address the synergies. No one (01) Ministry alone will effectively confront poverty. In addition, achieving one (01) MDG is very unlikely without achieving all the MDGs. The MDG Needs Assessment we present today intends to put ALL the interventions pertinent to achieving the MDGs—the goods, services, and infrastructure—along with their costs, on the table.

Interventions have a dollar value, which if effectively aligned with next year's budget, will ensure a step forward towards achieving the MDGs. At the same time, however, it will show that certain sectors will need larger budgets in 2006, and in the medium-term, in order to fulfill the public interventions that are necessary for achieving the MDGs, while other sectors receive smaller budget allocations in the interest of prioritizing social services and ensuring fiscal responsibility.

Mr. President, when I initially outlined the structure of COPDES upon its creation, together we realized the need of harnessing “all the best” that leaders throughout Dominican society have to offer. To this day, after almost 4 months of realizing that this MDG process will bring about “drastic changes” in Dominican society, the members of the Presidential Commission’s Working Groups have continued, they have persevered, and have not diverged from the work at hand. These leaders, who are technical experts, have realized that the MDGs are not a peripheral set of goals, but a framework for all, which will ensure our sustainable development. Their persistence and the leadership of you Mr. President, along with your Ministers, have been vital to ensuring these changes for the benefit of the Dominican Republic.

In a recent *Time Magazine* article about Dr. Sachs recent book “The End of Poverty”, addressed the fact that “Governments need to understand development better”. Mr. President, we have been fortunate enough over these past four months to have this process led by quality information and valuable recommendations. From the recently launched “Investing in Development” report of the U.N. Millennium Project, its various Task Force Reports, to our 2004 National MDG Report, we have been able to absorb information and adapt to the realities of the Dominican Republic—or as many leaders have stated “we have ‘platanized’ the MDGs”.

Mr. President, as you listen to the key interventions, the needs, the costs of these needs, the policy recommendations, the goals and targets we aim to set because of this MDG Needs Assessment, and the implications they present for achieving or not achieving the MDGs, we ask for your continued leadership and support.

It is, and has been, your leadership that keeps the work of this Commission going as well as the “human spirit” of the less fortunate, which Dr. Sachs spoke about in the preface of “Investing in Development”. Together, they have been a truly indomitable force. As hundreds of thousands of poor suffer in the Dominican Republic and wallow in the misery of poverty and extreme poverty, it is your leadership and our persistence that maintains their spirit, integrity, commitment, and hope for the future.

For me Mr. President, there are absolutely “no excuses” for not fulfilling the needs of the MDG Needs Assessment and achieving the MDGs in the Dominican Republic. We have the tools, the knowledge, the structure, the assistance, the leadership, and the vision. It all depends on where we go from here.

Thank you very much.

Name: Mr. Niky Fabiancic
Title: Resident Coordinator, U.N. Country Team in the Dominican Republic & Resident Representative, United Nations Development Program (UNDP), Dominican Republic
Event: Presentation of the Preliminary Results of the MDG Needs Assessment
Venue: National Palace, Las Cariátides Room
Date: April 27, 2005

Good Morning

His Excellency Dr. Leonel Fernandez, President of the Dominican Republic;
His Excellency Dr. Rafael Alburquerque; Vice-President of the Dominican Republic Honorable Chancellor,
Secretary of State of Foreign Affairs, Engineer Carlos Morales Troncoso;
Executive Director of the Presidential Commission on the Millennium Development Goals and Sustainable Development, Mr. Sr. John Gagain;
Mr. Fernando Ferran,
Secretaries of State,
Governmental Officials
Members of the Diplomatic Corps,
Colleagues, Friends, Ladies & Gentlemen

It is a great privilege and high honor for me to address these brief words and actively participate on behalf of the United Nations Agencies at this meeting, which gathers us to present to the nation the preliminary results of the first serious and thorough Needs Assessment of the Millennium Development Goals the nation has, to move forward with firm steps towards obtaining the Millennium Development Goals.

This assessment which was requested, sponsored and strongly supported by the President of the Republic and which is coordinated and encouraged by the Presidential Commission led by the Secretaries of State and which has constantly received the enthusiastic participation of hundreds of Dominican technocrats and the organized civil society, as well as the partnerships and counseling of the Millennium Project and the United Nations Agencies System, has as its main objective to identify the most urging needs of the Dominican people to achieve the Millennium Development Goals in the Dominican Republic, suggest the most adequate interventions to satisfy these needs and establish the expenses related to these interventions, as they will allow the country to reach the Millennium Development Goals.

For the time being, this effort, where we need to highlight both the widely participative process followed to date, as well as the results we are all aware of, has been carried out with the technical support of hundreds of Dominicans, the leadership of the President and the effective coordination of the Presidential Commission.

Such concern has brought about the magnificent results we see today in the country. I think that no one has the slightest doubt that this assessment is an essential input to reach the well being of the Dominican people and constitutes a compulsory reference and a fundamental pillar for a project of the nation with which all political parties and citizens will have a close rapport, one in which all Dominicans will feel duly represented, as well as protagonists that are both included and protected.

I want to cover this issue, but first allow me to briefly refer to how much the country has advanced in a very short period of time to then present for your consideration some ideas on how to continue to move forward towards a more promising future for the Dominican people.

Some will recall that a little over a year ago, on February 2, 2004, within the magnificent framework of the National Assembly, I had the opportunity to address the members of Congress and the high local national authorities to advocate for the MDGs and request the Dominican Congress to adopt a valid and ideal platform to drive and measure national development and to use these as a strategic and objective framework when approving the assignment of state resources and requesting the rendering of the accounts regarding the use given to these resources.

At that time I highlighted the fact that these objectives are not the objectives of the United Nations or of the industrialized nations or of the international banks. Specifically, these objectives are not being imposed by anyone foreign to the country; these are the objectives of the Dominican people. And so it was manifested and the commitment was assumed by your representative at the Millennium Summit in the year 2000, former president Mr. Hipólito Mejía. I also pointed out that these objectives allow us to very easily measure the progress or wellbeing of a country in a qualitative and quantitative manner. That is important because it allows the country to examine itself and see how the nation is progressing, or to look at itself in a mirror to see its reality regarding issues that are really important to its people, to its citizens, their health, their education, employment, income, to lead a life of dignity, its food requirements, gender equality and environmental sustainability. Furthermore, this allows a comparison to be made with other countries of the region and the world, enabling the nation to establish where the country is doing well and where it has lagged behind and also learn from those who, with less, may be accomplishing more.

Finally, in this speech I want to put aside a central idea, which is the fact that the Millennium Development Goals are neither the patrimony of any particular political party, nor of the government, nor of a President. They belong to all the political parties. This fact, together with its simpleness, is the element that makes the Millennium Development Goals extremely powerful as a platform and instrument to streamline negotiations and agreements orientated towards forging a project of the nation.

Ladies and gentlemen, the country can and must work eagerly in pursuit of agreement for a project of the nation or a development agenda shared by all the political parties and the active forces who are interested in the progress and well-being of the nation. This is a task for all and should not be postponed. However, I am not in agreement with those who proclaim that the country has no project for the nation. I ask myself, reaching the Millennium Development Goals, what is that? Obviously, those who think that way may interpret it to mean that a real project of the nation is something more complex, more elaborate, but there is something we do know: Any project of the nation would invariably include the Millennium Development Goals as a fundamental ingredient. Therefore, and until a great national agreement that can crystallize into a project of the nation can be reached, and one that probably includes constitutional reforms, state reforms, fiscal reforms and reforms in the productive system, while the country eagerly works to formulate this more advanced and modern project of the nation which is agreed upon and supported by all, as well as the political forces of the country, no citizen should decide or feel that the country does not have a project of the nation because reaching the Millennium Development Goals constitutes in itself the nucleus of any project of the nation that the Dominican Republic may adopt.

Since that speech of February 2004, the country has changed a great deal both in this ambit and in many others, and I believe that change is the correct course.

Today, the country has a President that is genuinely interested in achieving the Millennium Development Goals, the country now has a Presidential Commission that has, in a very short period of time, and with the support of the United Nations Agencies System published the first Millennium Development Goals National Report and it has, with the support of the Millennium Project and the arduous work carried out by all of you, been able to present to the country the information you have provided today.

Lastly, it seems important to me to point out the launching of the “Investing in Development” Report which was developed yesterday; an event of utmost importance for the country, because the President attended, as did the President of the Lower House of Congress. Unfortunately, today’s newspapers did not cover this event but I think

this occasion should not go by unnoticed by the nation. I believe it is a clear testimony of the desire of two leaders of important political parties of the nation and at the same time, leaders of two state powers to support and work jointly in the benefit of achieving the Millennium Development Goals.

These events make me feel very optimistic about the future of the Dominican Republic. Based on what I have just commented, this optimism gives us the strength and faith in that we can achieve success. However, there is a path to follow and there are important challenges that must be endured during the coming years.

I would like, because of the limited time, to only make reference to some of these: Obviously, reaching the MDGs requires a combination of systems, policies and resources and there is a very important issue, it is not just a matter of discussing resources, in other countries this could be the main issue, but in the Dominican Republic there are resources, perhaps not sufficient but there are resources and then the issue goes on to speak of systems, policies and resources. I think a first important issue has to do with maximizing the use of the resources which are already available in the country. Resources cannot be wasted under any point of view. In this sense, I call to reflect on considering the lack of stability of the public officers. The country should work eagerly with the political parties on an issue that is so delicate for the country. Each time there is a period of government transition, the country loses qualified technicians; there is a loss of important resources and so I feel that a main priority should be to work to ensure what I would call conditional immobility of public officers, because although it is not good to have a great lack of stability, it is not prudent to have a public servant who is sure of his/her job without a performance assessment, which will enable us to ensure that we can depend on effective and efficient civil service.

A second challenge I believe is of great significance for the country is the need to establish a different way of considering politics and especially among the youth, those that are young in terms of age and those that are young in spirit. Politics cannot be perceived as a means to grow socially or to benefit from state resources. Politics, true politics, should be seen as a way to be able to serve our fellow men, to be able to serve citizens and, therefore, I believe it is of utmost importance to declare zero tolerance when it comes to corruption and impunity.

We advocate a streamlined and efficient justice, one that is blind to political pressures and capable of applying the full weight of the law to those who have swindled the trust given to them in their position.

Thirdly, I believe that governing with established objectives and goals as we have been discussing here today is the correct manner and by redefining the assignment of resources which implies complying with what has been promised.

I believe that these three changes I have pointed out, if properly consented to by all the political parties, will launch the country towards the path of growth, and undoubtedly foretell a successful future for the Dominican Republic; and I also believe that they will undoubtedly move international interest, attracting more productive investments and a greater level of cooperation.

Lastly, to close these brief words, I would like to congratulate the President for his leadership and commitment with this issue, express my gratitude for all the support we have received from the Millennium Project and Dr. Jeffrey Sachs, recognize the work of the Presidential Commission, as well as the work groups led by the Secretaries of State and my colleagues from the United Nations Agencies.

Thank you.

Name: Dr. Jeffrey Sachs
Title: Special Advisor to the U.N. Secretary-General for the MDGs and Director of the U.N. Millennium Project
Event: Presentation of the Preliminary Results of the MDG Needs Assessment
Venue: National Palace, Las Cariátides Room
Date: April 27, 2005

Mr. President
Mr. Vice-President
Secretary of Foreign Affairs
Distinguished Members of the Panel
John, for your leadership
Ladies and Gentlemen

Now, we all really have to continue something impossible. We have already seen the future of the Dominican Republic, its wonderful, isn't it? What else can I say? It is absolutely exciting, that is why we are here today, to make sure that all the children in this nation can achieve their dreams, their aspirations in good health, good nutrition, quality education in a vibrant, peaceful country in a vibrant, peaceful world and I think that we have all felt inspired by this young man, I hope that we can thank him once more. (Applause)

The work that we have seen this morning is in fact very impressive and I want to tell all of you that are involved in it, and all of you who are not involved in it and are seeing it for the first time, that this has not been an easy task. We have seen things of great quality and very original in this work.

As we discussed yesterday, this is not the way in which the governments in any part of the world work, the idea of establishing very bold objectives in the future and then thinking in a very systematic and even scientific way, we could say, in a very coherent and organized matter, on how to organize these objectives. You are pioneers in this sense. This Commission is doing a wonderful job that will inspire the work in many parts of the world, but I think it is going to attain very significant results for this nation. It is definitely one of the main goals.

Allow me to mention some of the things we have seen and some suggestions regarding the forthcoming weeks in terms of concluding this phase of the work; and during the next few months in terms of presenting the work to the public, to the political leaders, to the different sectors of the country and then, a little more towards the future, implementing these ideas those which will be added and the entire remaining situation so that the Millennium Development Goals may be achieved in the Dominican Republic, which we know, cannot only be achieved, but need to be achieved for the well-being of this wonderful nation. First and foremost, the idea in this is management based on results and goals so that the entire governance process is more consistent; to establish objectives, to define objectives, goals that can be defined along the way, understanding the cost related to the implementation thereof, to accurately reflect these additional expenses in the national budgets adopted by the country and implemented with a view towards obtaining these.

We are talking about very complex tasks, because, as you have seen in all these goals, whether it be saving children's lives, keeping children in schools, the vital need of improving the quality of education or saving natural resources. We saw dramatic data, these are the complex challenges that require many years of work, many participants from many different sectors—very seldom will it be a simple and direct intervention. Then, to establish these principles of clear objectives, chronograms, milestones, budgets...This is a very hard and unusual process. Today, we have already seen many specific and pragmatic ideas, how we can take a very extensive concept and turn it into something concrete, so that we can know how we are going to get from one place to

another. And, that in fact is the job that needs to be polished, that needs to be defined during the next few weeks as we continue this process that is almost completed.

When we see the poverty maps, it is very clear that there is a huge difference even within very small geographical areas. The eastern and western parts of the country are very different. The disease burdens are different, the challenges are different in the urban and rural areas, and defining this type of mapping is extremely important as is understanding how to adopt high level objectives and then national objectives and make these relevant for the provinces, the districts, the municipal governments and the local communities. This is a great management and political challenge and all nations have their own ways of reaching the level of the capital city, the level of the community and then back up and this is part of the challenge we have here because the needs are so different in the different parts of the country and there are so many isolated communities that do not receive the proper services. This is a great challenge, to ask that a national goal be translated into a local reality, what types of systems can do that better.

It is very clear that a great part of what needs to be involved is neither resources in pesos nor dollars. What we often hear relates to the organization of public services, because a great part of what we are talking about is public investment and the delivery of public services, whether it be in hospitals, clinics, schools, and the management of coastal waters and I feel that most people think that public service does not currently work very well here. There are objective indicators, such as the low average levels in educational tests which indicate that in fact, there is a certain type of crisis in public management which needs to be addressed as part of the long term solution.

This country has a very cyclical pattern in its economic performance, very similar to the election cycle, which I hope can become stabilized. However, it is also clear that a great part of the basic public management is too politicized, at least based on what was pointed out and what we heard and discussed yesterday. Even the directors of the hospitals and clinics are changed with each political cycle. This is really very anemic with respect to the achievement of goals, because what we need is management based on excellence, not management based on partisanship or on electoral triumph. This will not lead us to reach our goals. What will lead us are trained professionals that can perform in the schools with both principles and quality; that can measure against reachable and measurable goals; hospitals with capable directors that are responsible for the performance of their hospitals so that when mothers and children die in these hospitals, the people know and can react to this. However, basic public management does not depend on who is and is not in government but rather on skilled performance sustained through time.

And, Mr. President, when we spoke of this yesterday, I recalled something that I learned a long time ago while I was advising Bolivia during the decade of the 1980s, and they still have the same problem today. When the elections came in 1985, this was a nation with a population of six million people. Forty six thousand jobs changed along with the government. And the following year I found myself in Japan, in 1986, when there was a change of government and only thirteen jobs changed -only the thirteen Ministers. All the civil servants remained in their positions. And I thought that perhaps the change was quite limited because a bureaucracy at a standstill will probably not be an absolute standard, but 46 thousand jobs changing because of an electoral change is downright instability and makes good performance impossible. When they told me yesterday that even in some hospitals and clinics some directors change during elections, I thought that that was taking it too far, because hospital management work is such a technical job, so extraordinarily technical, that it needs a perspective of several years and vast training if we are going to save the lives of children and their parents. This is the type of thing that I think needs to be eliminated from politics through agreements among all the political parties, and truly professionalize the system. Not a system that guarantees the position, but rather a position that is guaranteed based on performance and subject to monitoring where there is accountability. Therefore, it seems to me that this is one of the things that I hope the Commission will be able to reflect in their work.

In addition to funds, what are the changes in the system that are going to lead us to a high quality performance? In general, what I see is that when we all stopped this morning we realized that the Dominican Republic was third,

from the bottom up in education, on those tests. Why did we all stop? Because that is not where we should be, of course. But the reason why we did it was not because somebody said so; it was an objective indicator, it could not be disputed as if it were an opinion, these were students who had not passed tests and who were compared to other students throughout the hemisphere. So, therefore, what we need is in the measuring system. We need to include performance indicators, quality revisions and milestone. I want us to look at reports of the mortality rates per district, what are the mortality rates per hospital, how is hospital performance, were they lacking performance, per doctor etc. If you are going to undergo heart surgery, find out how many of these patients have died on the operation table. These things concern us because it is these objective measures that make people accountable and which allow people to be recognized for a good performance and questioned for bad performance. And, I feel that the system is not as strict now, that the system is not responding as well, but if we are going to have strategies based on results for an economic development, then we are going to require monitoring, measuring and responsibility according to standard objectives playing an important role and this means much less politics and much more compensated experience as a central part for education, health, environment and others... this is something that comes to mind.

Something about which we did not hear much but that I do want to touch on and I would like the commission to reflect on, is the local participation in this type of supervision and management. In many places I have visited throughout the world, the local communities have a true structure. I have been working quite a bit in towns, rural areas, and the towns perhaps have three, four, five thousand people but they are true communities and they are communities that know when the doctor is not there, and when the professor is not teaching and they are communities that know when situations occur such as “Weren’t they supposed to construct a well but someone stole our money and it never came from our capital city to us? So, what we find in many places is that empowering local people is part of this; it is an important part of accountability. All nations have their own way of doing this and I do not know what the answer is here, because I still have not had the opportunity to visit enough local communities in the country, but this is something that I want to do in a future visit. However, I would ask the commission to think about how to obtain local participation for what we have seen. Even the hospitals can be supervised by community associations, the professors can be supervised by community associations.

One of the tricks, something that has worked in many places, is that the local communities have been informed of the exact budget for local services and one of the things that Uganda has repeatedly said and which has become a banner for others, and which has been successful is that a lot of money was stolen in the educational system, but then the local school districts said to them “this is the money that is coming into your school” and each school presented their budget and then the communities could ask “where is the money?” Did the money arrive? Is it in fact going to the teachers? Are you receiving supplies? Why don’t we have blackboards, why don’t we have classrooms with adequate instruments, and then there is a sense of accountability, of participation, that increases the quality of performance dramatically and prevents the people of the district to remove the money, the Department of Education as well, so then this is the kind of system based on results that I think should be a part of the reform so that there may be trust in the resources so that we know that when we speak of resources they are going to arrive and that the real beneficiaries are directly involved.

Let me explain something to all of you that has not been discussed here, but which I believe deserves a brief explanation. We did not discuss in detail the economic strategy, in terms of how to promote more trade, how to promote more direct foreign investment in the different sectors. It is a key part of national strategy. I do not want you to forget this, because this nation needs a fast economic growth so that all of this may be possible. This also means the participation of the private sector, private enterprises doing business in this country. Therefore, there are really two different agendas. The Commission is focusing on where public investment is necessary, but in addition, there is also the growth of the private sector, which is very important and none of these, by themselves, can represent the complete solution for the problem of poverty and, definitely, not for the larger problems of economic development. I would like to think that the government has two components in the investment. One is the basic infrastructure, which is vital for economic growth, so that we know where it has gone, so that we know that we are going overcome the economic crisis. Undoubtedly, without solving the energy crisis, we cannot start a course of

action for rapid growth. Electricity -the last time I checked into many parts of the world, without electricity, these are neither going to have any foreign investments nor economic development, so, solving a problem such as this, absolutely, I am not saying something that you do not already know, is something that we have not yet discussed. However, it is a core part of the public investment program.

The port installations must be absolutely efficient; the industrial zones need to be well defined so that the free zones can work efficiently. This country needs to have competitive costs with 108 cycles of production because everyone is competing throughout the world for the same type of activity and, therefore, the free zones are losing jobs. Thus, you cannot afford the luxury of losing jobs if you are going to reach objectives. This needs to be vibrant, with increasing investments and this means, among other things, an absolutely excellent management of these services. We cannot have corruption, delays at the ports or any type of barrier because the Dominican Republic is not the only place where these companies can go to. That is the focal point. This is a very competitive world and you should be able to compete in it. That is an area for public investment.

Other areas that we have been discussing, satisfying human needs and ensuring basic needs, of course, it is also vital to ensure that everyone has access to potable water, basic electricity, a nearby primary attention clinic because how is it possible that we still have such high mother child mortality rates in this country. It should be possible to reduce these rates to $\frac{1}{4}$ of what they currently are with adequate management and attention notwithstanding the limits. But we also need investments. So, for those of you who are following this as part of a global strategy, this is not the global strategy. There is a growth component. You have a President, ladies and gentlemen, that turned the Dominican Republic into the country with the fastest growth in the world during the second half of the 90s. This is not a small achievement, I do not like to assign things to the Presidents, but we do hope he does it again.

Something I should say is that I think that an amazing job is being carried out because until the day before the current government went into office, this country was falling into pieces, it was a midst an enormous crisis. Now, it has a 4%-6% growth. Although a country with a level of development like the Dominican Republic, located as it is, close to the largest market in the world, should be able to reach an economic growth of 6%-7.8% per year if the systems are working properly and if the economic development is an objective that is shared by political leadership and not a bone to fight over. National unity and the basic direction towards competitiveness of this country are absolutely essential; this is part of everything we have been discussing.

The next point that I would like to mention briefly is to take these figures we have already heard and the resources and refine these to verify the final figures, and then place these within a macroeconomic frame of reference.

Firstly, 10 year span figures are not useful, they are mythical. We need budgets. Therefore, all this must be translated into budgetary terms so that it may be realistic. Nothing is real until it is placed on a budget. Therefore, we need to think of annual distributions -what it means for the year 2006, what it means for the year 2007, what type, at least the general scenario. Therefore, undoubtedly, the next step is how we pay for all of this and this is going to present a great challenge for the country together with its development partners, because this, after all, is the objective. Thus, the goal is that all nations do their best in terms of internal management with a clear thought, of creating political consensus, to involve the people, to design strategies aimed at reaching the objectives.

Therefore, the counterpart of this is that the partners in development and many of those that are represented here are true partners that are helping to identify the financing means for the investments, of what needs to be achieved and of the other aspects of global policy that allows this to happen, whether it be access of the Dominican Republic into international markets, better trade conditions, streamlined transfer of technology. The Dominican Republic has rights under the Millennium Development Goals of telling companies "come, help us get updated, improve our technology, our inflation rates, our universities, our high schools" so that we not only have knowledge about computers, but also an information technology industry. Those are the commitments made at international level and we must call all our partners within this process to join in.

I mentioned yesterday, as part of this work, that as soon as the commission advances somewhat more, I think it needs to meet more intensely with the International Monetary Fund with the World Bank and with the Inter-American Development Bank, to think about this in macroeconomic terms. What does this really mean in terms of annual budgets, what does it mean in terms of the International Monetary Fund programs, of macroeconomic stability which we need to maintain but which also need to be compatible for reaching the goals.

It does not make sense to have very pretty social goals here and that the reality of the International Monetary Fund goes beyond. The reality between the International Monetary Fund and the social objectives need to be exactly the same and this is also the commitment of the International Monetary Fund. But the countries and the Fund must work together for this to be a reality, so that we have a macroeconomic frame of reference that is both solid and designed to allow more investments in the social sectors, more investments in the health sectors, the environment and others. Therefore, how is this going to be done? As we discussed yesterday, at the end, there are only a few alternatives. We are not going to do this by printing more currency because this is the only thing that is not going to work except for a very brief period of time and we know that this country is committed to reach stability once more and inflation has basically be eliminated from the system briefly, but we cannot give up. We must find ways of including increasingly larger investments within the macroeconomic frame. Part of this is converting these areas of high priority expenses, finding the low priority areas and place them aside because I think that elementary schools, primary care hospitals, potable water, all of this has to be a priority in the agenda, so, therefore, it is necessary to prioritize.

The second point is to collect tax revenues that are due. There are taxes on books, taxes paid and these are not the same in any country but they need to be more similar. In other words, an effective public management of the fiscal earnings so that there is a fiscal base that is sufficient to finance these investments.

Clearly the third point is an increase in international resources. This can come from different forms. We expect the World Bank and the International Development Bank to finance a significant part of this investment, increasing it in time. These are the objectives of these institutions, to help countries reach their Millennium Development Goals.

I would certainly hope that on the basis of rigorous plans and reforms of public management and political consensus demonstrated throughout the country, the development partners will bilaterally increase their levels of assistance in areas of high interest to guarantee that these interventions can be carried out and I would also try to see how this can be done with the Paris Club, thus, long term solutions for the debt that we have with the Paris Club that help reduce the burden and save the country money so that it can reinvest in these areas of high priority.

The official bilateral creditors have told us in many different ways, including in the Millennium Development Goals, and the Monterrey Consensus that the debt reduction needs to be more generous, more substantial, more profound, to enable the Millennium Development Goals to be reached, and if we find that in receiving the budget, it is such that these goals cannot be financed with the current levels of payments of the debt, this needs to be addressed by the development partners. Therefore, this should be the kind of discussion that needs to take place during the next months and I am counting on the partners to be true associates in this and definitely on the United Nations, that is committed to this being a true partnership, that the countries are fulfilling their obligations because we are not writing a blank check for anyone: it is not easy to find resources, there needs to be a good performance. However, on the other hand, there is also a strong commitment among the development partners do more.

Let me mention a few more things regarding geopolitics. First locally, then globally. Locally, we cannot have the Dominican Republic achieve its objectives without Haiti overcoming some of its challenges. Many are linked and Haiti is a country that has suffered. Inevitably, now it feels as though something can be done. There is an intention to do something. I hope this country can help direct the international community to do sensitive things with its neighbors. Yes, from a desperate point of view it is vital for Haiti but also important for the Dominican Republic and I want to assure you that I am at your service to work so that this is may be possible because there is a huge urgency to do it.

Finally, geopolitically, this is an interesting year not only for the Dominican Republic as it moves past an enormous crisis looking for the achievement of very large goals. This is a year that is very important globally because 2005 is five years after the Millennium Declaration. There are ten years left reaching these goals. And that occasion as John mentioned, will be the year that promises the largest meeting in the history of worldwide political leaders who will meet on September 2005 at the United Nations to strengthen and expand their commitment to peace, security and global development.

Last month, the Secretary General launched a briefing for the world entitled “Expanding Freedom”. It is a wonderful document and I feel most appreciative that it mentions our work in the Millennium Development and calls it “the plan of action to reach the Millennium Development Goals”. It mentions the commission that was subsequently formed by the Secretary-General to reform the United Nations, including the Security Council. He also highlights something very important and that is the fact that there is neither worldwide development without security nor security without development so the world leaders have to meet and chose both security and development as common worldwide objectives. There can be no successful war against terrorism in the world, if there is no war against extreme poverty. This is also the commitment.

The United States is investing millions of dollars in weapons and only one third of this in development. The United States also needs to acknowledge a balance, because both the war against terrorism and poverty must be won simultaneously if they are going to overcome any of the two.

All nations have a voice in this process. Therefore, I hope that the voice of the Dominican Republic is heard loud and clear and this will be made possible because you have such a respected leader in this country, one that is recognized worldwide for his accomplishments and he will be heard because the job that he is doing to create the path towards reaching the Millennium Development Goals will leave a very significant message.

It is also an important moment, ladies and gentlemen, when in effect you will be heard because of the votes to be counted at the General Assembly there will also be votes on the expansion of the Security Council. All the votes are going to count. With CARICOM there are fourteen good votes. And one of the messages that the Secretary-General has launched to the world is that those countries such as Germany, Japan and others that claim to have permanent membership in the Security Council, their membership depends on the support of the rest of the world and this will depend on what they are doing for international development and that all countries do what they have to do so that they are true partners of the poor nations in reaching these objectives.

Therefore, this year is an extremely important year. The Commission is an extraordinary testimony of this. I think that in the reports you can see the level of effort that so many people in this room have placed.

I would like to say on behalf of the Secretary General and as Director of the Millennium Project that we feel highly honored, pleased and grateful. We are excited over what you are doing in the country and we hope to be your true partners in everything you are doing in this process. Thank you.

Name: Dr. Leonel Fernandez
Title: President of the Dominican Republic
Event: Presentation of the Preliminary Results of the MDG Needs Assessment
Venue: National Palace, Las Cariátides Room
Date: April 27, 2005

Honorable Vice-President of the Dominican Republic, doctor Rafael Alburquerque.
Honorable Secretary of State of Foreign Affairs; engineer Carlos Morales Troncoso
Professor Jeffrey Sachs, Director of the Columbia University's Earth Institute

I believe this has been a highly illustrative and enriching event and in spite of the somber data that has been presented about some areas of the Dominican Republic, we have seen, nonetheless, that the future of the Dominican Republic has been very well represented by this eleven year old child who has made it clear that in the absence of the President and the Vice-President, the country would be in good hands. So much so, that when he finished his last poem he came to me and said Mr. President, we have an appointment pending. So, there we find solid character, as the Spaniards often say, right?

I have found this meeting very enriching and illustrative. First, because we have clarified the information. What is the reality of the Dominican Republic in figures? And that is very important because it gives us a clear perspective of what we need to transform, which are the goals of transformation and change that we need in the Dominican Republic. But it also highlighted another issue. The cost of development in the Dominican Republic: What is the cost of transforming the Dominican Republic and achieving the Millennium Development Goals?

Obviously, when dealing with a subject so complete and specific as what the cost of development and what the cost of the Millennium Development Goals would be, we must begin with some indications that have been established in the international framework. Starting with the Monterrey Summit, sponsored by the United Nations and in that summit the following was made clear: that each nation is responsible for financing its own development. Remember that this summit was to discuss financing for development and the first conclusion that it brought forth was that each country, by itself, was responsible for financing its development.

Therefore, we have here our first great challenge. How is the Dominican Republic going to finance this? And, just as Professor Jeffrey Sachs explained, we cannot look at the Millennium Development Goals and how to finance them separate from the economic policy of the country. All this needs to be placed within the context of what is the macroeconomic stability of the Dominican Republic and what is a policy oriented towards a sustained economic growth.

It is not possible to isolate these Millennium Development Goals from the management of a macroeconomic policy and of a policy oriented towards growth. But we would not be able to fully achieve these Millennium Development Goals and Objectives if this is perceived as being isolated from the institutional strengthening of the Dominican Republic, institutional strengthening that has to go, first, towards the creation and consolidation of a democratic state of law; and, second, towards the creation of a set of institutions within the state mechanism of the Dominican Republic that make viable the execution of the different measures that we aspire to and that involves all sectors of Dominican society.

I believe that we are making progress although it is true that we lost the first 5 years of the 15 year Millennium Development Goals, because we faced a deep economic and financial crisis in the last period; an economic and financial crisis that, and I must always repeat so that we do not forget, was due to an inappropriate management of fiscal policy, economic policy and currency exchange policy of the past administration and not to a banking crisis that came about later.

The banking crisis in the Dominican Republic did no more than exacerbate and magnify an already existing crisis that originates in the past administration and the most solid proof of what I am saying is that in the first semester of the year 2001, economic growth in the Dominican Republic was zero, and if in 2001, finally there was a 2.5% growth, much lower than the 8.3% registered in the year 2000, it was due essentially to investments generated by the placing of sovereign bonds in the financial markets and in international markets and from then on, obviously, came a total collapse.

Therefore it is important that we learn from this past lesson that a country, first and foremost, needs to have an adequate macroeconomic management and this means managing exchange rate policy, monetary policy and fiscal policy in sync and harmoniously and that is what we are trying to do in the Dominican Republic at the present time.

Having subscribed an agreement with the International Monetary Fund, negotiating with the Paris Club, with the private commercial creditors of the Dominican Republic and with the bond holders of our country, will allow us to increase the time for maturity and expiration of these bonds, allow us to close the first circle of economic and financial management of this government administration because in order to grow, in order to guarantee a sustainable growth, first we have to organize the economy and the finances of the country and this requires that we address each and every one of these elements.

For the upcoming month of May, we aspire to conclude the negotiations with the bond holders of the Dominican Republic and this will allow us to postpone the payment of 500 million dollars that we have pending for next year and postpone it according to the terms established in the new negotiation with these bond holders.

The culmination of this period of negotiation and straightening of macroeconomic policy of the country, allows for the Dominican Republic, a patient that is in intensive care, to leave the emergency room and enter a stage of convalescence and, I believe, that this stage of convalescence has already started.

It was extremely gratifying for me that on my visit to Rome last weekend, our Chancellor, engineer Carlos Morales, said to me: Mr. President, I have seen in CNN a note that says: Dominican Republic (Growth 4 percent and Inflation Zero in the first quarter (he said all of this in English) and I said Mr. Carlos, in CNN but in CNN in Spanish-he said no; CNN in English. They are running it in Rome that the Dominican Republic has a growth of 4% with a zero inflation rate and later I find that some people were congratulating us in the lobby of the hotel because the Dominican Republic had a 4% growth with a zero inflation rate during the first trimester.

All the news that they were presenting were negative, the only thing that looked hopeful was this news of the Dominican Republic and I call this the first sign of recuperation of the patient.

Now, the country is growing, in macroeconomic terms, at a rate of 4%, this has to be reflected, in microeconomic terms, and today in the press we found the first reaction in terms of microeconomic growth when the executives of *Presidente* Brewery say that in the first trimester, there was a 20% increase in beer consumption, therefore, it seems that Dominicans are happier these days because they are drinking more beer.

And I understand that in effect, just as this company recognizes a 20% increase in sales, many other companies must already be receiving the benefits of the 4% growth that is being experienced at this time.

We have been in a deep crisis, we are in the midst of a recovery process but more than that, we understand that the Dominican Republic is currently in a special, unique and historical moment to produce the great transformations that we have dreamed of for many years

Perhaps the great crisis become great opportunities so that nations may, in effect, leap forward and I honestly believe, with total sincerity that in the present, the Dominican Republic is positioned in this point of historical inflection which allows it to give this great leap forward.

It is about having clear goals, clear objectives, a strategic vision of where we want to go, where we want to arrive, and that the procedure that is used to conquer these objectives is not inclusive in nature, neither from a social nor a political point of view. As we pointed out last night, it is going to require an alliance between the different components of the social fabric of the Dominican Republic, but also of an alliance between the political parties that believe in the consolidation of democracy, in economic growth, in social wellbeing, in the full participation of the Dominican Republic in international markets that will be the only guarantee that development in our country will be sustainable.

It passes through these different intermediaries and, of course, we understand the different dimensions of this development, there is an element that is global and that affects the Dominican Republic for good or bad. At this time, for example, we are at the threshold of ratifying a Free Trade Agreement with the United States, and this agreement, in reality, also represents for the Dominican Republic a great opportunity to define a competitiveness strategy.

Subscribing this Free Trade Agreement, in itself means nothing; in fact, the Dominican Republic currently enjoys preferential access to the U.S. market. Actually, there is free trade, only that it is unilateral; Dominican products that have entered the U.S. market in virtue of the Caribbean Basin Initiative under preferential tariff conditions. There is free trade, what is being put forth to us now is that this free trade be reciprocal, that is, that the Dominican Republic should now open its markets to the importation of goods and services coming from the United States.

Many people look at this with skepticism, the problem lies in that if we do not sign this agreement, then the Dominican Republic would loose preferential access to the United States market, therefore, ratified, the first thing it represents is not to loose what we already have, access, it now represents the challenge of liberating the market for the importation of goods and services that will compete with the producers of the Dominican Republic, but this, in turn, will represent for us having to define a competitiveness strategy, such as how to increase production, how to increase productivity, how to generate this competitiveness strategy that has to be directed towards two fundamental aspects: a) Human Resources; we are talking about education and we cannot continue to be a country with a fourth grade educational level because then we will be recognizing ourselves as a society of functional illiterates and, on the other hand, b) This needs to be a nation that incorporates state-of-the-art technology to increase its level of productivity and be competitive at an international level.

Can we achieve this? I believe so. The first sign of this is that the cybernetic park of Santo Domingo that we are intensely promoting in this new government administration has already received an offer from NAP of Las Americas in Miami. NAP stands for Network Access Points and it is a high technology telecommunications center and they have proposed to us, through private investments, the development of NAP of the Caribbean with which the Dominican Republic, through this investment, would become a high technology generation center of excellence and we are thinking also of an alliance with the STEVENS Institute of Technology of New Jersey to create a high technology university for masters degrees and PhDs in Software products, Biotechnology, Robotics, Computer Science, etc..

Because in absence of that academic center we have ITLA which offers Human Resources Training that go directly to the companies, here we are thinking of members of the different business units that would be operating in the cybernetic park, but at the level of engineers and of managers we require an academic center that can offer masters degrees and PhDs, validated in the United States and we are working on this project so that the cybernetic park can become the Technological Corridor of the Americas and launch the Dominican Republic in a new paradigm of development that moves from a model of intensive labor which is what we have had until now to a gradual modification of all operations in all the work areas.

However, these technologies can move perfectly well towards the Agriculture sector, the livestock sector, how these techniques are applied to improve the production of livestock, of food and the reduction of hunger in the Dominican Republic which is one of the MDGs. We can apply them to medicine, the development of telemedicine, the link between hospitals in the Dominican Republic with the great world centers that effectively allows access to the most modern and most recent knowledge that could be immediately applied in the Dominican Republic.

So, I believe that in effect we are in the threshold of a great revolution in the Dominican Republic. The Millennium Development Goals are to get out of extreme poverty and I think that this is the first goal that we must achieve, but our dream, our vision, is to radically transform the Dominican Republic to turn it into a modern country, a prosperous nation that generates opportunities for all, contributing in this way to elevate the dignity of Dominicans.

In the political sphere is where I believe we have the greatest challenges for us. As Professor Sachs has said here, one of the problems that we have in third world nations and that is repeated here in the Dominican Republic has to do with the change in government. It is chaos, what occurs in our country is a mayor disorder because a change in government means that those who were there have to leave because new job opportunities have to be made available for those that are coming in.

The states have had to make many investments in personnel training, in the formation of human resources, and these are lost with the arrival of the new government because they do not belong to the winning party and I think this is a mistake and that we all loose with this practice. I believe that we have a law for Civil Service and Administrative Career here that we wish to apply, what we need is the methodology to do it and I think that the methodology has to be based on merit, on the individual merit of each citizen that wants to take part in public service.

I think that a way to solve this is that everyone who aspires to join public service should be a graduate of the National Institute for Public Administration (INAP) or have some type of academic certification that enables them to participate in public service in the area that they most desire, I feel that this could be the starting point.

For example, I have discussed with Mr. Carlos Morales, the fact that there are many young people that show a desire to become diplomats. How can this be done? We have the Foreign Affairs Ministry School of Diplomacy that has work agreements with different diplomacy schools throughout the world. A young person who wishes to pursue a diplomatic career does not have to belong to the political party in office. They just need to pass the courses offered at the Diplomacy School, and this makes them eligible to start their diplomatic career, independent of the political parties and, in this way, we have started to professionalize public service.

I would be in the deposition to discuss with the leaders of the rest of the parties how to find a method that allows us to professionalize public service in the Dominican Republic and that does not depend on changes in government that come about due to electoral cycles and I am convinced that, with this, we will already be giving a great impulse to the modernization of the State in the Dominican Republic.

Therefore, if we need to be concerned about the quality of public service, about the “professionalization” of this public service, about training in order to develop the state institutions, because the opposite not only hinders the process towards development but also leads us in the end to disappointment, disillusionment, to protests and to the lack of governance. Therefore, the only way to face it efficiently is on the basis of a political pact among the different institutions that have representation in the electoral scenario of the Dominican Republic.

I want to congratulate the heads of the different Ministries that have presented here today, the technicians that have participated in the different work groups that were part of the presentations. I think that never before in the history of the Dominican Republic, have we been able to see in such a concrete way the reality of each area of the country, the very precise diagnosis but at the same time the recommendations and being able to establish quantities, required

amounts, I believe it is a transcendental step in public administration in our country, besides the fact that it has been done in such a short time, three to five minutes each, reflects that they thought about it, because being brief means that you have profound knowledge of what you are doing.

In my opinion, the most important thing has been to discover a way to reflect on our problems, to meditate about things and to understand that only through intellectual understanding, through problem analysis will we be able to concrete actions that will result in transformation and that when we are in the implementation phase, something that I want to recover from professor Sachs's intervention, is being able to have available the necessary means or mechanisms for measuring performance. What cannot be measured, what cannot be quantified has no value.

Here, we have already wanted to implement it with the physicians that make very important and very valuable claims; I think that when the doctors in the Dominican Republic demand a raise in their salaries, I believe it is fair, I think that what they are being paid is not enough, naturally, we are limited by the precarious conditions, always willing to dialogue and discuss, but I also feel that we have to establish mechanisms for measuring performance.

Some doctors do their job, some do not and I think that the professional association should not speak indiscriminately for all of them.

Let's start to look at the individualities, those that do their job deserve and in fact need to be gratified with an additional bonus, those that do not should be sanctioned. Thus, I would say the same thing about teachers. We have to look for mechanisms that measure performance, the good teachers, the dedicated, those that stimulate, have to be compensated, have to be recognized; the bad teachers cannot be placed in line to be gratified in the same way as those that do a good job.

I think these times need to end in the Dominican Republic, the quality of public service depends on evaluation mechanisms and determining performance, I think that if we can apply all of this we will, without a doubt, have a better country.

I leave this meeting feeling very satisfied, very proud of the government team, of the technicians that have worked here because it means that we have more awareness, more conceptual clarity and that we have a working method in the Dominican Republic linking different institutions globally, nationally and locally through Provincial and Municipal Councils with the Social, Institutional and Economic Council, with the different Ministries, with the Presidential Commission on the Millennium Development Goals and Sustainable Development (COPDES).

Being able to link all these institutions, I believe that is the key that will allow us to say in 2015: The Dominican Republic has achieved!

This is the first country that has created a Presidential Commission to support the Millennium Development Goals. We aspire to be the first country that achieves the goals set forth by the Millennium Goals in the year 2015.

Thank You.



**PRESIDENTIAL COMMISSION ON THE MILLENNIUM DEVELOPMENT GOALS
AND SUSTAINABLE DEVELOPMENT
(COPDES)**

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