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SUMMARY COORDINATION SEGMENT

Introduction and debate of the Secretary-General Report on “Sustained economic growth for social development, including the eradication of poverty and hunger”

Palais des Nations, Geneva, 6 July 2006

In his opening remarks, ECOSOC Vice-President, **H.E. Mr. Hannesson** stressed the importance of the theme of the segment and the complexity of the relationship between economic growth, social policy and development. While this remains a great challenge according to him, the ECOSOC is perfectly positioned to facilitate the sharing of experiences and lessons learnt in these fields and deepen the understanding of the various factors affecting economic growth and social development, in particular by providing a broad and comprehensive analysis. He concluded his introductory remarks by emphasizing the role that the ECOSOC could play in ensuring greater policy coherence and integration in the economic and social fields.

The Assistant-Secretary-General for Policy Coordination and Inter-Agency Affairs, Mr Patrizio Civili, introduced the report of the Secretary-General (E/2006/56) on “Sustained economic growth for social development, including the eradication of poverty and hunger”. He said that today the mutually reinforcing relationship between economic growth and social development is widely recognized and permeates through the United Nations development agenda. At the same time he stressed that this broad and comprehensive vision of development, based on the outcomes of the major UN conferences, which goes beyond income growth and places development of human being in all its aspects at the centre of economic, social and environmental policies, has nonetheless not fully been translated into current approaches to development and development support.

He stressed that there was no universal approach and that each country should take the lead in defining its own set of policies. At the same time he noted that an international environment, which is conducive and encouraging is also necessary for achieving economic growth and social development. To ensure greater policy coherence, efforts need to be made at the country level to achieve common results by planning and evaluating activities. Lastly, Mr. Civili underlined the importance of pursuing the analytical work on linkages between economic growth and social development. The United Nations with its cumulative analytical knowledge, experience and expertise in all the relevant areas of development has a significant role to play in this regard, in particular in promoting a better understanding of the linkages between the different dimensions of development. This will require enhancing collaboration between individual UN bodies and UN coordination bodies, such as EC-ESA and UNDG with all development partners.

Most delegations welcomed the report of the Secretary-General and the analysis and recommendations contained therein. Several delegations underlined the useful analysis contained in the report on the two-way relationship between economic growth and social development. In this regard, the **G77** described the relationship between the two as being mutually reinforcing and underlined that both were needed to meet the goals of poverty eradication. The **United States** stated however that the conclusions were unclear as to the actions that countries should take to achieve growth poverty eradication; also, **Brazil** said that the recommendations could have been more specific and targeted to local circumstances.

With regard to *national policies* several countries, both developing and developed, said that it is now widely recognized that economic growth does not translate automatically into social development and eradication of poverty and hunger. **The European Union** noted that although growth is a powerful engine in pulling people out of poverty, not all growth is pro-poor and that explicit social policies are needed to avoid jobless, ruthless, voiceless, rootless and futureless growth and to ensure poverty is eradicated. Most delegations expressed the necessity of adopting a multi-sectoral approach, which should include a strong social dimension. **The European Union** said that social policies should not come as an afterthought or an add-on to macroeconomic reforms and growth policies. **Norway** indicated in this regard how the Nordic Model managed to bring together active social policies with economic growth and increased competitiveness. **The European Union** also recalled that economic growth today should not come at the cost of environmental failure tomorrow. The **G77, China, India, Brazil, Pakistan** and **Russia** in particular stressed the need for countries to have adequate national policy space for defining nationally owned socio-economic policies. The European Union noted that at the country level capacity building of the ministries and social partners responsible for social, environmental and employment dimensions of development can help to ensure that all dimensions of sustainable development are taken into consideration. While greater coordination at the international level was recognized as being essential, almost all delegations stressed that there is no one-size-fit-all strategy and that each country has the primary responsibility to formulate its policies and strategies, according to its specific needs. **Brazil**, while concurring with the view that more attention should be given to the social dimension of policies, stated that it should not be forgotten that macroeconomic stability and the fight against inflation as pre-conditions for sustainable social development policies.

The need for an *enabling international environment* was acknowledged by both developing and developed countries. Even though national ownership and leadership is crucial, almost all developing countries linked the efforts poverty eradication to the international economic and trading environment (**G77, Brazil, India, and Pakistan**). They stressed the necessity to find a solution to the external debt problem, the need to increase market access for developing countries and have an equitable multilateral trading system. **India** also noted that developing countries need enhanced voice and participation in international economic and financial decision-making. Several delegations (**Pakistan, Russia, and Guinea Bissau**) expressed the need for greater international cooperation, including financial resources, technology transfers and

capacity-building to support developing countries in designing their own strategies and implementing the internationally agreed development goals.

Many delegations noted the *centrality of employment* in achieving pro-poor growth. **EU, US, China, Russia, India** and **Guinea Bissau** stressed the importance of employment and decent work to pull people out of poverty in a sustainable manner. **India** cited the recently launched ‘National Rural Employment Guarantee Scheme’ as the most significant State intervention for poverty eradication through the provision of at least 100 days of guaranteed wage employment a year to rural households whose adults volunteer for unskilled manual work. **The European Union** underlined the importance of well-functioning and accessible markets to all, in generating employment, especially for the most vulnerable. **The United States** underlined the critical role of the governments in creating an enabling environment for private sector development, which it sees as the true path to development. In that regard, it said that more should be done to improve regulations, limit bureaucratic constraints and help entrepreneurs create new businesses and there are no UN development activities that can produce more meaningful impact on people’s livelihoods than helping the countries to reform its policies and regulations toward entrepreneurship and the private sector.

Others mentioned that actions were needed to strengthen *democracy, transparency and good governance* (**EU, China, Pakistan, Guinea Bissau**), ensure peace and improve social security systems (**China**). Many delegations stressed the necessity of engaging in a dialogue with the civil society and the private sectors and reaching out to the *most vulnerable groups and regions* and integrating a *gender perspective* into all policies -**EU, China** and **Pakistan** notably. Investment into human development was stated as being a priority by almost all delegations. A representative of **Women’s World Summit Foundation** talked about the ‘Basic Income for All People’ - which proposes to give to every child, woman and man a set amount of goods and services every year to be spent on personal or community development- as a plan that could significantly contribute to the eradication of poverty and hunger.

Many delegations noted the *pivotal role of the United Nations* in implementing the comprehensive development agenda which has emerged from the UN conferences and summits in a coherent manner. **The European Union** stressed that the functional commissions and various UN-agencies and Secretariats have to be driven by one common vision and encouraged to make their maximum contribution towards achieving the common goals. **The European Union** also stressed that successful promotion of the goals of one functional commission or UN-agency will not be possible without interlinked and mutually supportive progress in the fields of the other functional commission and UN agencies. **India**, however, expressed reservations about the need to adopt a more comprehensive and integrated approach; it called instead for the adoption of practical and effective ways to mobilize the expertise and available funds with UN and related programmes and agencies in support of national development. Making reference to the General Assembly resolution on the development follow-up **the G77** and **China** highlighted the call upon Member States and the Bretton Wood Institutions to translate commitments made at the major UN conferences and summits into concrete actions, as

well as the decision to strengthen and establish new mechanisms to monitor, review and follow-up the implementation of the global partnership for development.

Most delegations stressed the *important role of ECOSOC* as the principal body for coordination and implementation of the international development goals. (**G77, EU, Russia, Brazil and Guinea Bissau, Pakistan**). **The European Union** stressed that the ECOSOC should have a leading role in the effort to develop more flexible, coherent and integrated policies and working practices. **Brazil** believed there was room for more ambitious and creative approaches in proposing a stronger role for ECOSOC in the coordination of development efforts in the UN system as well as in the promotion of a more effective partnership with national governments, development institutions and relevant stakeholders.

The *coordination segment of the ECOSOC* was regarded as a very important vehicle for ECOSOC to discharge its coordination function. **The G77** recalled the role of the segment in the coordination of the activities of the specialized funds and programmes of the UN system. **Switzerland** considered that the logic underlying the coordination segment would be even better served if in the future it would take up the theme of the previous year's High Level Segment and asked that should the General Assembly decide to retain the coordination segment as part of a reformed ECOSOC, next year's coordination segment should serve as a platform for the subsidiary organs of the ECOSOC and the relevant parts of the UN to inform the Member States on the implementation of the Ministerial Declaration on employment generation and decent work for all adopted this year.