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STATEMENT BY MRS. PAULA QUINTANA
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General Debate of the High-Level Segment of the
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Economic and Social Council of the United Nations

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Mr. President,

It is a great honor for the government of Chile to have been invited to share its vision on integral rural development from the perspective of poverty eradication and sustainable development, particularly considering the current economic and social challenges imposed by the food crisis and climate change.

In Chile's case in particular, the strategy implemented since returning to democracy has been able to achieve a more sustainable and greater development for the country, with growing levels of economic and social equality throughout the national territory. To this end, global economic and social policies have been combined and articulated with sectorial policies for specific vulnerable groups.

This integrated and articulated vision of economic and social policies has bore fruit. While the economy has grown on an average of 5.4% from 1990 to 2007, generating employment and higher wages, social spending has also increased significantly. In 2007, social spending represented 12% of Gross Domestic Product. Of total public spending, two-thirds goes to the social area.

As a consequence, it has been possible, among other indicators, to significantly reduce poverty levels, from 38.6% in 1990 to 13.7% in 2007; substantially improve access to basic services; increase classroom coverage, especially at the pre-school and university level, the areas in most need; and diminish infant and maternal mortality rates.

Rural areas have not been excluded from the benefits of the country's advanced development. In 2006, for the first time, rural poverty fell below urban poverty, with 12.3% of its population in this condition. In addition, by 2006, 94.4% of rural households had access to electricity; 53.4% had access to drinking water from a public source; 54.7% counted with a waste removal system connected to a sewage or septic tank; and 54% of households were in acceptable condition while only 6% were in an

irremediable situation. The connectivity among these communities has also improved considerably, through main and secondary road infrastructure and access to new information technology. In 2006, 66.5% of rural students were able to access the internet, with the method of access being principally that of educational establishments.

Mr. President,

These achievements have not been the result of chance. Macroeconomic stability, trade liberalization, and the strengthening of social policies, in addition to an integral agricultural policy, have played a large role.

Rural development has been simultaneously focused from the perspective of poverty eradication and productive development. The established agricultural policies demonstrate the presence of the State as facilitator, corrector of market defects, with a well defined initiative to support small farming. In the last decade, the budget share for programs and instruments for this sector has increased significantly: threefold in real terms. The role played by programs and instruments destined to improve this sector's competitiveness is noteworthy, aiming to incorporate small agriculture into markets and support the sustainable management of natural resources.

On competitiveness, policies like export promotion, the development and the fulfillment of quality standards and the improvement of productive infrastructure have been key.

Mr. President,

A recent study by the Organization for Economic Cooperation and Development shows Chile with a robust and dynamic agricultural sector, generally heading in the right direction. It also demonstrates the capacity of the productive sectors to respond to economic incentives and their significant ability to adapt. The agriculture and food-

producing sectors currently represent an opportunity for innovation and entrepreneurship, where confidence between its public and private spheres constitutes one of its principal elements.

Agricultural development has added a dynamic element to rural zones and many small and medium-sized cities. Chile is strongly linked to agriculture.

Special emphasis has been placed on innovation and the transfer of technology. Globalization presents challenges to competitiveness, and in this context, the current system of innovation is being reevaluated to become better adapted to today's challenges.

But this globalization that often presents opportunities for development also brings threats and challenges – not only for Chile, but also for the collective international community, consequences that generally have greater impact on the less-developed world.

Mr. President,

The augment of food prices in the immediate term threatens to intensify poverty. Tackling this situation requires working simultaneously on various fronts – starting with the support of the United Nations in its task of generating a fast and unified international response. Chile assigns particular importance to the work of the Food and Agriculture Organization (FAO) and the World Food Programme (WPF) of the United Nations and supports the increase of funds for humanitarian operations urgently required by the most vulnerable countries.

It is thus necessary to go further, and in this connection, I want to quote my country's President, Michelle Bachelet, who in her 2008 Presidential Statement stated: "my government has doubled its efforts to successfully conclude the Doha Round and

end with European and United States subsidies for its producers”. Moving forward in this respect would be an efficient contribution to increase production and lower prices for agriculture goods.

This crisis can also be perceived as an opportunity. If governments and international organizations do their part, it could result in a reassessment of the rural sector and opportunities to improve the quality of life for millions of people residing in the countryside. In this sense, agriculture and rurality would no longer represent the past, but would be an active and relevant part of the future.

Mr. President,

Climate change is also a threat. We should advance hurriedly on consensus and global action to confront it, without losing sight that while the responsibility is common, it is also differentiated. Developed countries have a greater responsibility and should therefore do more. We are also willing to do more.

We believe in globalization and the opportunities it creates, but we should learn to govern this trend in a better way. Here, multilateralism plays a fundamental role to ensure equitable international relations where the least-developed countries benefit from the fruits of global economic progress.

We also renew our commitment to international solidarity. We are willing to share our experience in the different areas where we have been relatively successful. But we also believe in a greater commitment of the developed world in favor of the countries most affected by this crisis.

Increased development is imperative to allow for improved quality of life for our peoples. But this development should be harmonious and sustainable. We must develop the countryside and the cities, industry and services, but also agriculture.

Development should be sustainable – for the present and future. We do not believe in short-term illusions but in State policies for the medium and long-term. We must elevate the wellbeing of the population today, but without compromising opportunities for development and welfare of our children. Development should be inclusive, with equal opportunities and non-discriminatory in terms of origin, sex, race, religion or socio-economic condition. This is the challenge.

Mr. President,

I would also like to announce that tomorrow, under this same framework, Chile will give its National Voluntary Presentation on the progress of the Millennium Development Goals. This will be an excellent opportunity to share with other countries our experience on matters of development and public policies, progress achieved and outstanding challenges. Likewise, we hope to immerse ourselves with the experiences from other nations. We are convinced that these opportunities are extremely useful to generate mutual understanding, where our peoples are the most to gain.

Lastly, I would like to affirm that Chile's candidature to the membership of the Economic and Social Council for 2010-2012 is based on the desire to contribute to find solutions to the social and economic challenges of today. You can be assured we will work with enthusiasm and conviction towards the success of the Council's tasks, as we have done in previous occasions, the last of which from 2002 to 2004.

Thank you very much.