

## **Informal Summary**

### **2012 Economic and Social Council High-Level Segment**

**General Debate  
Friday, 6 July 2012  
3:00 – 7:00 p.m**

**H.E. Mr. George Papageorgiou**, Permanent Representative of **Cyprus**, speaking on behalf of the European Union, said the situation in European Union labour markets was of major concern. Employment was one of the five headline targets of Europe 2020, a strategy for smart, sustainable and inclusive growth, he said. He argued that there is a need to promote the kind of growth whose success was not only evaluated in proportion to gross domestic product (GDP), but in a more comprehensive and balanced manner that took into account the environmental and social dimension of growth. He also underlined the importance of the green economy for growth and for employment creation. He noted the importance of the education sector in fostering productivity and stressed that stronger links between education and the productive sector are needed for fostering productivity and employment. The ambassador highlighted the importance of the private sector in development, as well as an enabling environment for it to flourish. The Union remained committed to the implementation of the Istanbul Programme of Action for Least Developed Countries (2011-2020), notably with regards to productive capacities, one of the key priority areas for action, he mentioned. The Union also supported bilateral and regional cooperation with the least developed countries, in full respect of the principle of ownership and leadership over their own development. The Union welcomed the work undertaken by the Group of 20 (G-20) on employment, in particular concerning youth, and the recently adopted Los Cabos Growth and Jobs Action Plan, as well as the outcome of the United Nations Conference on Sustainable Development (Rio+20).

**H.E. Mr. Mauricio Montalvo**, Under-Secretary for International and Supra-regional Organization, Ministry of Foreign Affairs of **Ecuador**, said that, despite commitments made to deliver on the Millennium Development Goals, many developed countries had directed stimulus packages for speculative structures instead of investing in the real economy. He highlighted that Ecuador's Constitution guaranteed the right to work, defining work as a social right. The National Plan for Good Living enshrined such principles through guaranteeing social protection and dignified labour, he said. Ecuador had incorporated the Goals into its national plans, and developed its own policies which could serve as an inspiration for regional and global efforts to address challenges. He went on to say that employment in Ecuador had increased between 2007 and 2011, while under-employment had fallen, including for indigenous and Afro-Ecuadorian populations. The integration of persons with disabilities was also a priority and, thus far, more than 14,000 people had been incorporated into the labour market. In addition, Ecuador had improved labour protection for women, including with regard to maternity and paternity leave. The "Dignified Domestic Labour" programme valued those involved in such work, while efforts to eradicate child labour had proven successful. Despite these successes, the representative mentioned that more efforts were needed on development issues. He stressed the importance of South-South cooperation and noted that Ecuador and other countries had created the Common Reserve Fund for Latin America, which played a complementary role to other initiatives and

processes to strengthen cooperation. He concluded by emphasizing the need for new mechanisms to regulate the international financial system.

**H.E. Mr. Ranko Vilovic**, Permanent Representative of **Croatia**, said that the economic crisis in his country had brought about a significant increase in unemployment but Government had responded with a range of active measures. Those initiatives had resulted in an increase in the number of unemployed people engaged in public works and in training programmes, particularly in professional fields through workplace training. The public works and educational training were intended for long-term unemployed persons and special groups while workplace training was intended for young people without work experience. The purpose of the measures was not only to provide financial assistance to unemployed persons but to also enable them to maintain and improve their knowledge and experience, as well as facilitate social integration. Croatia prioritized the situation of its youth and their placement in the labour market, he continued. This year, the Government had adopted a law which made it possible for an increased number of young people to participate in workplace training and to secure financial assistance in the form of training allowances. Through that law, a large number of young people had been able to gain their first work experience. Croatia also systematically assisted young people in making their education choices through the provision of career guidance. Croatia believed that in the green economy, there was potential for creating new job opportunities, as well as for education and capacity-building. It saw green economy as having the potential to lead to a new development paradigm and a new business model where growth, new jobs in a sustainable economy, development, and environment were all mutually reinforcing.

**H.E. Ms. Anne Anderson**, Permanent Representative of **Ireland**, said there was need to re-examine her country's economic model including by focusing on decent-job creation. The representative noted that the economic adjustment in her country had been hard and that as the country moved towards a recovery, there was a determination to build back better. Turning to ODA, she reported that, despite the domestic cutbacks, the Government was determined to keep its development assistance programmes substantially intact. The nation was currently allocating in excess of 0.5 per cent of GDP for ODA, ranking seventh in per capita terms internationally. She echoed an earlier statement by the Director-General of the ILO, that reconstruction of the institutions of global governance was urgent. But she said that his second point was perhaps even more important. That official had underlined the need to improve the international community's negotiating and decision-making processes to enable the system to respond in a rapid and relevant way to current challenges. In the aftermath of Rio, "we simply have to do better", she said.

**H.E. Ms. Maria Luiza Ribeiro Viotti**, Permanent Representative of **Brazil**, said that the global economy was at a crucial juncture. Despite signs of recovery in some developed economies, growth prospects worldwide had been dampened by renewed instability and uncertainty. In this scenario it is critical for developed economies to avoid creating excessive global liquidity and to adopt macroeconomic policies that fostered growth and job creation. Brazil welcomed the measures recently agreed to that effect by EU member States. Brazil and other developing countries, especially in Latin America, had learned from past experience how the dire effects of economic crises on employment and decent work could seriously impact a country's social fabric. Policies aimed at the promotion of productive capacity and decent work, particularly for women and young people, were crucial to effectively addressing the social impact of the global crisis and ensure sustainable and inclusive economic growth, she said. Such policies were also essential for the international efforts to reduce

poverty and achieve the Millennium Development Goals. Since 2003, more than 30 million people had been lifted out of poverty in Brazil and over 17 million jobs had been created, she noted. The country was now moving towards the more ambitious goal of eradicating extreme poverty.

**H.E. Mr. Nelson Noel Messone**, Permanent Representative of **Gabon**, said the global financial crisis had created an employment crisis and had driven more people into poverty. Developing country growth had not translated into the creation of decent work, and the most vulnerable were young people and women. “We need to invent a new dynamic policy geared towards sustainable development”, he said, noting that the ILO had projected increased unemployment by 2016. A new model should include development strategies, diversified economies and a shift from speculative to productive sectors. Outlining priorities for his country, he said Gabon wanted to be considered an “emerging economy” by 2025. To combat poverty and inequality he highlighted the importance of supporting SMEs. Gabon had taken fiscal and customs measures, and worked hard to tackle food insecurity, strongly supporting the Istanbul Programme of Action, he noted. He urged all countries to review their social protection policies, saying that Gabon had established a social insurance scheme that all Gabonese could access, including women and youth.

**H.E. Mr. Talaipek Kydyrov**, Permanent Representative of **Kyrgyzstan**, said the tragedy of 2010, combined with other factors, such as the worsening of the global economy, had seriously impacted his country and its labour market. Kyrgyzstan’s unemployment rate was 8.6 per cent in 2010, and 10 per cent among women. Poverty had increased from 31.7 per cent to 33.7 per cent. The Government had introduced a programme of urgent measures to fundamentally change the situation, combat corruption and reduce poverty levels. Reform was geared towards supporting small and mid-size businesses, with greater attention paid to legal and social conditions for youth employment. Strengthening international cooperation was crucial, and providing high-quality education was vital to prevent youth from slipping into unproductive behaviours. He said that a global strategy was needed, as labour migration was occurring at the global level and directly impacting the sustainable development of some countries. Kyrgyzstan supported the green economy and acknowledged the important role the United Nations, particularly the Council, could play in that area. Mountainous nations were particularly vulnerable to climate change and natural disasters but lacked resources and capacity, he said. He urged international financial institutions and donor countries to incorporate the needs of mountainous countries into their policies.

**Mr. Granguillhome**, Executive Director of the International Development and Cooperation Agency of the Ministry of Foreign Affairs of **Mexico**, said that his country had made efforts to highlight the urgency of overcoming the negative effects of the current economic crisis in the international community. It had convened a Leaders Summit as part of the most recent G-20 meeting in Los Cabos where economic stabilization and the needed structural reforms for reactivating economic growth and employment had been prioritized. To reach those objectives, they agreed on a Los Cabos Action Plan for Growth and Employment. In light of the outcomes of the Rio Conference, there was an opportunity to strengthen the multilateral system and to revitalize the United Nations system as a universal, legitimate and effective forum for dialogue, definition and implementation of the global development agenda, he continued. The Economic and Social Council had been called upon to play a key role in that regard. World leaders had decided in Rio to broaden the Council’s mandate to integrate the three pillars of sustainable development and follow up in an integral way into the economic, social and environmental areas, he said.

**H.E. Ms. Paulette Bethel**, Permanent Representative of the **Bahamas**, said her country's open economy was challenged by external shocks, increased natural disasters and the continued ripple effects from the global financial crisis. Employment conditions were challenging, with 15.9 per cent national unemployment registered last fall, she said. To reverse that trend, the Government's job creation plan would promote foreign direct investment and local entrepreneurship, remove impediments to business, and increase opportunities to expand the role of Bahamian employers. It also would work to ensure opportunities for training and retraining of the labour force. Those efforts must be complemented by a supportive international environment, she said. Enhanced policy dialogue and international cooperation were also emerging issues in that regard, centred on building "green economies", which would require new investments, technology development and transfer, and capacity-building.

**H.E. Mr. Miguel Berger**, Permanent Representative of **Germany**, said that one of the most significant outcomes of Rio+20 was the recognition that a green economy was one of the most important tools available to achieve sustainable development. Indeed, a green economy was a tool that could enhance social inclusion, improve human welfare and create employment opportunities and decent work for all, he said. Germany is willing to share its lessons learned from the creation of green jobs with other countries, he noted. Over the last years, thousands of jobs had been created in Germany due to the decision to promote the use of renewable energy to reduce greenhouse gas emissions from the use of fossil fuels and to advocate for sustainable production patterns. When it came to creating training places and jobs for youth, private companies had a key role to play, he said, adding that Germany's policy was to cooperate closely with all relevant social partners including employment services, schools and all major business associations. He concluded by underlining the importance of sharing experiences in job creation efforts and highlighted the NVPs as a positive example of exchange of experiences.

**H.E. Ms. Elizabeth Cousens**, representative of the **United States**, said the world faced unparalleled opportunities, as well as the need to overcome common hurdles to create jobs. With growth fragile and job creation lagging, some 200 million people, many of them young men and women, were out of work. "We must do better," she said. First, youth, and especially women, must be at the top of the global political agenda. She highlighted the importance of education, which enables people to remain productive. Securing job quality was also essential because 58 per cent of women and youth were in insecure jobs. Broad-based inclusive growth was necessary since such growth is a powerful force for poverty eradication. Finally, she reminded Member States that they were in this conference room to advance towards achieving the Millennium Development Goals and to acknowledge the role of the Economic and Social Council in that effort.

**H.E. Mr. Martin Briens**, Deputy Permanent Representative of **France**, aligning with the statement made earlier on behalf of the European Union, said employment was at the heart of policy agendas. Promoting employment and combating exclusion required a two-pronged approach: inclusive economic growth that took account of social realities. He noted that in the G-20, France had emphasized the jobs and social dimensions of globalization during its presidency, with the aim of devising global solutions. Notable outcomes had been obtained, including recently at Los Cabos, Mexico, where the G-20 declaration underscored that high-quality employment that ensured social coverage helped to create stable growth and reduce poverty. To support such objectives, policy

coherence and cooperation among organizations was essential, he said, underscoring that the United Nations had a key role to play in that regard. At the Rio+20 Summit, a green and inclusive economy had been recognized as a tool to help poor countries manage natural resources. Rio+20 also placed youth at the heart of sustainable development actions. In such efforts the full involvement of civil society was required. For its part, France would continue to promote the social development dimensions in all forums, and work to develop both a post-2015 framework and Sustainable Development Goals.

**H.E. Mr. Shavendra Silva**, Deputy Permanent Representative of **Sri Lanka**, said his country had followed a citizen-centred, socio-economic development strategy. Sharing positive experiences, he said Sri Lanka had focused on improving productive capacities and creating employment opportunities for those entering the labour force. Achieving good human development indicators had also been a focus, and Sri Lanka had exploited “synergistic” interactions among health care, basic education, improved water and sanitation and integrated rural development. The economy had maintained an 8 per cent growth rate. Women and youth were also a priority. In that regard, he said the Government provided incentives for private and foreign investors to establish enterprises and information and communications technology outsourcing facilities outside main cities, which allowed rural women and youth to work from home. Several special small and medium-sized enterprise loan schemes also had been launched to improve access to finance. As an emerging economy, Sri Lanka faced the challenge to achieve sustainable rapid economic growth, while integrating into global processes, he said. He concluded by calling for development commitments to be honoured.

**Mr. Rafael Archondo**, representative of **Bolivia**, said that wealth must be created in the context of better harmony with nature. Despite the economic crisis, Bolivia had escaped the worst effects and achieved annual growth of 4 per cent, mainly as a consequence of social protection initiatives and the nationalization of natural resources, he said. He mentioned that there were still challenges related to the skills of the population, but that his country was moving in the right direction. This arose in part from Government’s philosophy of focusing on the good life and on “non-neoliberal policies” which have helped to bring about labour market stability, he said.

**H.E. Mr. William Odisho**, Deputy Permanent Representative of **Iraq**, said his country wanted to be an economic power and integrate into the global economy. Reforms had improved real incomes of Iraqis, while the local currency had stabilized, he said. Unemployment had fallen and coverage for basic services like water had increased. Further, the oil sector had increased its contribution to GDP, as had construction, which had risen to 5.5 per cent of GDP in 2011, and agriculture, which had increased to 7 per cent of GDP. Iraq’s 2002-2014 development plan emphasized human resources, with a special focus on education and training. He went on to say that Iraq employed its human resources in an effective way to encourage a diversified, wealth-generating economy. The private sector still suffered from problems, however, despite efforts such as support to SMEs, he said. Concluding, he noted that work was a main instrument for combating poverty, and the success of any development strategy hinged on creating productive capacities and increasing opportunities for education and training.

**Mr. Mohammad Hassani**, representative of **Iran**, said developing and strengthening productive capacity at the national level was the most efficient and sustained path to creating decent jobs. This also had positive ancillary impacts, particularly on poverty eradication. National development policies

must be pursued, in the context of a supportive and enabling external environment, he said, but it is unfortunate that the global economic outlook continues to be bleak. There is serious concern that some developed countries not only eschewed undertaking any new responsibilities in the context of multilateralism but were trying to disregard and backtrack on past commitments. There is further concern, he noted, that those countries were attempting to shift their obligations to South-South cooperation. Such an approach had been clearly noticeable during the recent negotiations on the Rio+20 outcome documents.

**H.E. Mr. Julio Rafael Escalona Ojeda**, Deputy Permanent Representative of **Venezuela**, said the global financial and economic crisis had deepened over the last year, while Goldman Sachs and other firms continued to grow richer. Fiscal cutbacks and financial market speculation continued to spread fear, he said. At the same time, other dogmas were being promoted, including that of pro-cyclical policies to lower costs and make exports competitive as a way of achieving growth. He noted that the only viable development was one that was free from market competition. The role of banks had radically changed, from entities that once channelled savings towards productive investments, to those that now channelled funds towards speculation. In this regard, he underlined the need for reform of the banking system.

**H.E. Mr. Raza Bashir Tarar**, Deputy Permanent Representative of **Pakistan**, said there was no gainsaying the fact that ‘business as usual’ was no longer an option and that the world needed to reset its economic model to promote sustained, strong and inclusive economic growth, as well as sustainable development.” He informed that about 68 per cent of Pakistan’s population was under the age of 30, making the challenge of creating jobs for the youth as an important one. Pakistan had made youth development and community engagement one of the pillars of economic growth, while steps had been taken to harness the capacities of youth through vocational and technical training programmes. It was also promoting public-private partnership in this area. The representative also highlighted the Benazir Income Support Programme (BISP) which is a cash-transfer programme focusing on empowerment of women. He stressed the need to increase investments in productive capacities and address infrastructure gaps and concluded by noting that the UN should be in the driver’s seat on the discussions of employment and development.

**Ms. Shulamit Davidovich**, representative of **Israel**, said achieving decent work for all was critical to achieving more productive economies, more cohesive societies and stronger democracies. Israel had a multi-pronged strategy to boost productive capacity and extend participation in the labour market, in part by investing in increasing school retention. Israel had implemented a range of policies to facilitate entry into the workforce, she said, noting that social support services were critical in that regard. Israel also was pursuing policies to encourage employment and ease the financial burden on families with children, including by expanding tax credits. In other areas, she said the Government had launched job programmes adapted to different cultures. One initiative focused on expanding the role of the Arab community in entrepreneurship, providing Arab entrepreneurs assistance and guidance in launching businesses. Other efforts focused on integrating the Orthodox community into the labour market. Entrepreneurship was at the heart of Israel’s economy and its efforts to foster international development. Israel understood that all people had the power to be drivers of social change and economic development, but to do so, they must be nurtured, she said.

**Ms. Mariela Sánchez de Cruz**, representative of the **Dominican Republic**, said the dire global social and economic situation demanded urgent action in the form of plans, targets and development cooperation. The promotion of decent work to eradicate poverty — in the context of inclusive economic growth — was a goal common to all. But major economies still had not recovered from the 2008 financial crisis and approaches to overcoming difficulties were largely aimed at first addressing the health of banks, at the expense of incentives for productive activities. She highlighted the problem of youth unemployment in her country, noting that unemployment among people aged 18 to 29 was at 34 per cent — more than double the rate for adults. She informed of a youth employment programme, supported by the Inter-American Development Bank and the World Bank, which provides skills and vocational training. She concluded by noting that actions are needed for achieving the just work that we all want.

The Permanent Observer for the **Holy See** said work constituted a foundation for the formation of family life, which was a natural right and something to which man was called. The duty of the State to guarantee the right to work was not one which required absolute control of the employment sector, but rather to provide the conditions necessary for job creation and sustaining employment opportunities, he said. In order to achieve full employment, there was the need to recognize the vital role of education and skills training for all people, he noted. In a rapidly changing globalized economy, education and technical skills training should not end at a young age, but should be provided throughout people's lives so that they were more capable of responding to the unpredictable changes in employment.

The President of the **Union of African Economic and Social Councils**, on behalf of the International Association of Economic and Social Councils and Similar Institutions, advocated for promoting productive activity and decent work in a context of inclusive, sustainable and fair economic growth. Good governance was essential in that regard, he said. While the financial crisis had caused a massive destruction of jobs, the need for global regulation was more crucial than ever, he said, underscoring the inclusion of emerging economies within the G-20. He called on all public and private sector decision-makers and stakeholders to better use the proliferation of alternative approaches to finance and governance. Achieving the Millennium Goals could be compromised if measures for social responsibility were not rigorously enforced, and he urged both public and private actors to adapt international political decisions to local realities.

The representative of the **World Food Programme (WFP)**, also on behalf of the **Food and Agriculture Organization (FAO)** and the **International Fund for Agricultural Development (IFAD)**, said those bodies stressed the need for concerted attention to food and nutrition security, as well as agricultural and rural development for achievement of the Millennium Development Goals and the post-2015 global development targets. She said the agricultural sector in developing countries generated between 20 and 50 per cent of the global GDP, creating more than 1 billion jobs. As such, agriculture in particular had strong potential for reducing poverty. Yet, rural areas were still plagued by underdevelopment and a host of other inequalities, and rural women were particularly disadvantaged. Those areas also suffered from pervasive decent work deficits, including gender disparities, child labour, low wages and lack of employment opportunities for youth. Those issues needed to be rapidly addressed even as some rural and agro-based economies were undergoing major transformations, especially those shifting away from farming. The Rome-based agencies encouraged the international community and national authorities to, among other things, increase investment in

food and nutritional security, ensure employment concerns were considered in national agriculture and food policies, and extend social protection to those employed in agricultural sectors.

The representative of the **International Labour Organization (ILO)** said the Council's focus on productive capacity and decent work in the eradication of poverty was timely, especially since the harsh reality was that the drag on global growth and recovery caused by the continuing repercussions of the financial crisis was stronger than the stimulus to demand that had been launched by Governments and central banks. The focus on productive capacities and decent work was, thus, not only a way to provide an immediate response to the jobs crisis; it was essential to "stopping the vicious downward spiral and creating a virtuous upward spiral". Action for jobs now was critical for growth and development and shaping a fairer, greener and less volatile globalization, he added. Noting that a policy agenda centred on decent jobs and productive capacities has positive short-term and long-term effects in addressing labour market vulnerabilities and inadequate patterns of growth and development, he observed that measures to generate employment and safeguard workers were critical tools to building future productive capacities and triggering economic transformation and development. He went on to call for vigorous action to tackle youth unemployment, including through bolstering education and vocational training systems. Further, there was a need to: scale up investment in infrastructure and other job-intensive sectors; support SMEs; establish basic social protection; and develop domestic and international policy coherence.