Statement by Ambassador Munir Akram, Permanent Representative of Pakistan to the United Nations in the General Debate of the Second Committee (October 2, 2006)

Madam Chairperson,

At the outset, I would like to convey to you Pakistan delegation's warm felicitations on assuming the Chair of this important Committee and to congratulate all other members of the Bureau as well.

2. May I take this opportunity to thank your predecessor, Ambassador Aminu Bashir Wali, for his able stewardship of the committee last year.

3. I also wish to associate with the statement made by the distinguished representative of South Africa on behalf of Group of 77 and China.

4. We appreciate the excellent introductory statement made by Under-Secretary General Ocampo. His remarks, and the Report on the World Economic Situation prepared by DESA, UNCTAD and the Regional Commissions offers an objective review of the world economy during the last year.

5. Given the series of conflicts raging in several regions; threats of new confrontations; acts of terrorism, local and global; high energy prices and major macro-economic imbalances, it is a welcome that the world economy has continued to grow even at the modest pace. Shorn of all theoretical gloss, this continued global economic growth is perhaps due to continued profligacy in consumption in the largest economy; high investments in competitive manufacturing, for exports and increasingly internal consumption in several Asian economies; and a major rise in international liquidity generated by trade surpluses, including energy exports, as well as innovative financial instruments.

6. Yet, the portents are not all promising. The threat of macro-economic imbalances provoking a global meltdown cannot be altogether excluded, although 'soft landings' are forecast. Inflationary pressures are being generated by higher energy prices and the enlarged liquidity looking for safe investments and safe havens. The imbalances have also generated neo-protectionist tendencies in the major economies. The Doha Trade Round is stalled, on life support if not deceased. And investment flows are slowing and virtually non-existent in the economies that need them most.

7. For the long term, the gravest danger is that the majority of world's peoples and nations remain outside the virtuous circle of prosperity generated by globalization. Many countries are caught in the trap of poverty, lacking productive capacity; dependent often on a single commodity; vulnerable to external economic turbulence, and unattractive for commercially driven investment. An increasing number suffer from the politics of scarcity, manifested in corruption, bad governance and political turbulence. These conditions often lead to further marginalization, the rise of extremism, and civil wars.

Madam Chair,

8. It has been evident for sometime that there is crying need for a more coherent and comprehensive governance of our globalized economy. Such governance is presently attempted in restricted forums of the most prosperous nations. Ideally, such governance should rest with the United Nations. Indeed, the United Nations has made invaluable contributions to the conception of a global economy that also addresses the issue of equity besides ensuring efficiency and growth. The Millennium Development Goals and the other development goals agreed at the several Conferences and Summits held under UN auspices during the past decade have outlined the policy and operational measures required to promote an inclusive and equitable globalization, end poverty, generate the productive capacity of developing countries and spread prosperity to all nations.

Madam Chair,

9. The 2005 Summit was originally conceived as a development summit, designed to accelerate the fulfillment of the MDGs and the IADGs. Unfortunately, once again, the developing countries were disappointed in their legitimate desire to focus global attention on their priorities. The Summit's development focus was largely crowded out by the security agenda of the major powers. The development segment of the Summit Declaration – although extensive – contained few new or concrete commitments to advance the goals of development. Promises were made to fulfill the MDGs and, with notable reservations, to meet the other Internationally Agreed Development Goals. In some areas, such as trade and investment, however, the formulations agreed represented a regression from past commitments.

10. This year was designated by the outgoing General Assembly President as the year of "implementation". Unfortunately, implementation has remained the Achilles Heel of the development agenda. Soon after the Summit, assertions surfaced that the UN did not have a direct role in implementation of the Summit's decisions. This political divergence on the UN's role was visible in the protracted negotiation of the Development Follow-up resolution, adopted finally as resolution 60/265. It was also manifest in the failure to adopt, even to this day, the resolution relating to the revitalization of the ECOSOC, despite the agreement on its broad parameters at the 2005 Summit. We hope this resolution will be adopted without further delay.

11. For my delegation, the central provision of the Development Follow-up resolution is the provision calling for the monitoring of the implementation of the MDGs and the IADGs. We attach special importance to the recommendation to the Statistical Commission to develop specific indicators to assess the progress in the implementation of the MDGs and IADGs. We continue to believe that the DESA and UNDP should develop a comprehensive matrix of development goals, targets, indicators and actors involved in achieving them. Such a development matrix will be essential to assess the actions taken by all relevant actors – national governments, development partners, international institutions, civil society and the private sector – for the "full realization" of the MDGs and IADGs

12. Utilizing such a development matrix, the DESA should prepare an annual score card of progress towards the implementation of the MDGs and the IADGs. This should be reviewed by a robust monitoring mechanism, perhaps a Special Committee of the Economic and Social Council. The ECOSOC's Annual Ministerial Policy Review could, on the basis of the assessments and conclusions of the Monitoring body, draw the appropriate policy conclusions and recommendations. A special segment of the UNGA, during the initial Ministerial week, could also be convened to review the ECOSOC's policy conclusions and recommendations on the implementation of the MDGs and the IADGs.

Madam Chair,

13. It is also essential to streamline and strengthen the UN system's development cooperation machinery, at the country, regional and global levels – both in the Secretariat of UN development organizations and intergovernmental mechanisms. The impact of the UN's development support role can be meaningful, significant and effective only if it is pursued in a coherent and coordinated manner, both at the country and the global level. We look forward to the report and recommendations of the Secretary-General's High-Level Panel on System-Wide Coherence, which is Co-Chaired by Pakistan's Prime Minister, Shaukat Aziz.

Madam Chair,

14. While 2006 was to be the year of implementation, 2007 should be a year of concrete action. We need to put in place the national development strategies and the concomitant commitments of the international community to support these strategies. We need to install the structures for monitoring the fulfillment of these strategies and commitments. We need to streamline the instruments for development cooperation essential to assist the success of the national development strategies.

15. It is also essential, we believe, to remain focused on the key development objectives whose realization is indispensable to end poverty and underdevelopment in the majority of the developing countries.

16. At the national level, it is essential to promote policies and programmes that ensure, apart from good governance, macro-economic stability; investments in human resources, infrastructure and production capacity; export orientation. Domestic resources for development can also be mobilized through a number of measures, including improved tax administration; reducing corruption; property titles for the poor. Appropriate incentives should be provided for the promotion of these policies.

17. At the regional level, the value of integration through free trade agreements, energy exchange, joint investment and collaborative production is now well established. Regional integration should be actively encouraged and supported both to promote economic growth and promote peace and stability.

18. At the global level, there are several vital goals that need to be simultaneously pursued. First, assuring adequate financing for development. In this context, the fulfillment of the 0.7 ODA target remains a central objective. Debt cancellation and adjustment needs to be much more broad and generous for the poorest countries. Foreign Direct Investment

Flows should be more consciously directed towards the weaker economies, through various measures, such as investment guarantee schemes. Bolder and more general efforts are required to mobilize additional development finance through innovative measures. In this, old ideas, such as the SDR - development link and compensatory financing for trade erosion should not be discarded. The more productive use of migrant remittances and foreign exchange reserves is worthy of close examination.

19. Second, despite the present impasse, a determined effort is required to revive and conclude the Doha round of trade negotiations as soon as possible. The huge agricultural subsidies and support resorted to by the rich must be quickly, if progressively, eliminated. Neo-protectionism must be eschewed. Trade capacity creation in the poorest countries is vital. At the same time, efforts to promote commodity price stabilization at fair levels must continue. And, now, the assured availability of energy – specially oil and gas – at stable prices, has become critical for both the industrial and developing countries.

20. Third, in an increasingly knowledge – based world economy, access to technology has become a vital component of any viable development strategy. Building on the decisions of the 2005 Summit and the WSIS Summit, the restrictions on technology transfer and acquisition, including under the TRIPS agreement, need to be reviewed and revised. Incentives should be provided for research, including by the private sector, into the problems of the poor which presently attract only 10% of R&D expenditure.

21. Fourth, sustainable development should become a central policy for both the advanced and developing countries. Global warming and environmental disasters are a growing reality. Efforts are required to revive implementation of Agenda 21 and Rio principles.

22. Fifth, it is now essential to evolve agreed approaches to the issue of migration and development. The recent High Level Dialogue should lead to more active international cooperation and a coherent approach to enhance the development benefits of migration and reduce its negative political and human rights dimensions.

23. Finally, the issue of equitable international economic governance, cannot be avoided any longer. The rich cannot continue to determine the policies and parameters of global finance, monetary and trade policies that impact so significantly on the destinies of the billions in the poorest counties. Pakistan continues to believe that global economic governance should be located in the only universal organization – the United Nations. We shall advance some concrete ideas subsequently to promote this goal.

Madam Chair,

24. Targets and timetables are useful spurs to action and implementation. The 2005 Summit was largely a lost opportunity for development. We must set ourselves new timelines to accelerate the realization of the MDGs and IADGs. To this end, we suggest the convening of a UN Summit in 2010 devoted exclusively to development.

I thank you.