



# Economic and Social Council

Provisional

17 August 2004

Original: English

---

## Substantive session of 2004

Coordination segment

### Provisional summary record of the 22nd meeting

Held at Headquarters, New York, on Thursday, 1 July 2004, at 10 a.m.

*President:* Mr. Aliyev (Vice-President) ..... (Azerbaijan)

## Contents

Coordination of the policies and activities of the specialized agencies and other bodies of the United Nations system related to:

- (b) Coordinated and integrated United Nations system approach to promoting rural development in developing countries, with due consideration to least developed countries, for poverty eradication and sustainable development

---

Corrections to this record should be submitted in one of the working languages. They should be set forth in a memorandum and also incorporated in a copy of the record. They should be sent *within one week of the date of this document* to the Chief, Official Records Editing Section, room DC2-750, 2 United Nations Plaza.

04-41082 (E)

**\* 0441082 \***

*In the absence of Ms. Rasi (Finland), Mr. Aliyev (Azerbaijan), Vice-President, took the Chair.*

*The meeting was called to order at 11.30 a.m.*

**Coordination of the policies and activities of the specialized agencies and other bodies of the United Nations system related to:**

**(b) Coordinated and integrated United Nations system approach to promoting rural development in developing countries, with due consideration to least developed countries, for poverty eradication and sustainable development (E/2004/58)**

1. **The President** declared open the coordination segment of the 2004 substantive session. He said that the theme of rural development, with special focus on the least developed countries, would allow the Council to continue the deliberations of the previous year's high-level segment.

2. **Mr. Civili** (Assistant Secretary-General for Policy Coordination and Inter-Agency Affairs), introducing the report of the Secretary-General contained in document E/2004/58, said that the emphasis on coordination and integration was timely, in view of the nature and impact of rural development. The report of the Secretary-General presented an overview of the implementation of the ministerial declaration adopted by the Council in 2003, and made concrete proposals on a coordinated and integrated approach to rural development.

3. He highlighted the main aspects of the report, which included the trend towards inter-agency cooperation, the effort to enhance policy coherence and the promotion of regional initiatives on integrated rural development. He also drew attention to the role of South-South cooperation, agriculture and partnerships. In particular, triangular United Nations public-private partnerships to strengthen productive capacities of farming and non-farming small and medium enterprises in rural areas needed to be given a more prominent role in United Nations development assistance.

4. As the report concluded, in realizing the internationally agreed development goals, issues such as complementarity between strategies, and the promotion of the efficient allocation of resources and

optimal utilization of capacities of various organizations and actors would need to be addressed.

5. **Mr. Chowdhury** (Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States) said that economic growth, poverty reduction and food and nutritional security would remain elusive if agriculture and rural development did not receive priority attention. As the central mechanism for the coordination of the activities of the United Nations system, the Economic and Social Council had made a laudable decision to consider the coordination of rural development, particularly with respect to the least developed countries (LDCs). The Brussels Programme of Action for the current decade emphasized the role of agriculture and agro-industries, rural development and food security in the development processes. Specific and detailed actions were called for, and the Programme of Action itself provided a guiding framework for coordination of support to LDCs, including the building of productive capacities.

6. In that regard, he made reference to the report of the Secretary-General, which cited policy coherence as an important factor in achieving the optimal allocation of resources to LDCs. The bulk of United Nations work on behalf of LDCs in the area of rural development was conducted by the Food and Agriculture Organization of the United Nations, the International Fund for Agricultural Development and the World Food Programme, which had enhanced their coordination efforts by defining a global agenda for rural development. It was also noteworthy that the governing bodies of those agencies and other United Nations entities had adopted separate resolutions to mainstream the implementation of the Brussels Programme of Action in their activities.

7. Countries that were dependent on commodities would benefit from the International Task Force on Commodities, to be established, under the auspices of the United Nations Conference on Trade and Development (UNCTAD), to promote a multi-stakeholder approach and to forge a global coalition that included the Bretton Woods institutions. The Office of the High Representative had responsibility for the full mobilization and coordination of entities within the United Nations system to facilitate implementation and coherence in the follow-up and monitoring of the Programme of Action at all levels.

The United Nations regional commissions also played a supportive role in that regard.

8. He referred also to the value of microcredit, microfinance and the growing role of partnerships with civil society and the private sector in rural development, and stressed the need to support South-South cooperation in various fields and activities, for example, in expanding LDC participation in intraregional trade in agricultural and agro-industry products.

9. **Mr. Al-Nasser** (Qatar), speaking on behalf of the Group of 77 and China, recognized the efforts made by the Council in system-wide policy coordination, including the implementation of the outcomes of the major United Nations conferences and summits. It was vital to draw on experiences and lessons learned with respect to the establishment of effective mechanisms for the monitoring of implementation of recommendations. The functional commissions of the Council played a tremendous role in exploring the options for enhancing review and coordination mechanisms in that regard.

10. Integrated coordination between the Economic and Social Council and the General Assembly, along with their subsidiary bodies, would help to formulate a joint vision for the implementation of agreed commitments, enhancing the principle of global partnership as well as preventing overlap in the work of the United Nations bodies. The Group of 77 and China welcomed the efforts made in the review and appraisal of the system-wide implementation of the agreed conclusions on mainstreaming the gender perspective into all United Nations policies and programmes, and in taking further steps towards the coordinated and integrated approach to rural development.

11. The commitment of the Group of 77 and China to the realization of the goals and targets of the major United Nations conferences and summits had remained the guide for the Group's active participation in addressing the issues under discussion. The topics of particular relevance to developing countries included follow-up to the meetings on sustainable development, financing for development, international crime, bridging the digital divide, issues related to food security, support for the New Partnership for Africa's Development (NEPAD) and prevention of armed conflicts. The Group of 77 and China therefore wished

to take the opportunity to commend the effective role of the United Nations Systems Chief Executives Board for Coordination (CEB) in its contribution to the promotion of inter-agency coordination, and in keeping member States informed of developments.

12. **Mr. van den Berg** (Netherlands), speaking on behalf of the European Union, the candidate countries (Bulgaria, Croatia, Romania and Turkey), the stabilization and association process countries (Albania, Bosnia and Herzegovina, Serbia and Montenegro and the former Yugoslav Republic of Macedonia), and, in addition, Iceland, Liechtenstein and Norway, said that rural development was a priority for European development cooperation. The European Union welcomed the report of the Secretary-General, and especially the recommendation inviting the United Nations system to design a coherent capacity-building programme for rural development. Because the scope of such a programme would theoretically be endless, he requested the United Nations, under the auspices of CEB, to make a thorough assessment of existing activities and remaining needs, thus ensuring that scarce resources were not wasted. It looked forward to further clarification of the coherent capacity-building programme for rural development.

13. Especially in the least developed countries, most of the population lived and earned its living in rural areas. Rural and agricultural development, including agroforestry, must therefore be at the centre of any approach to reducing poverty, with the focus placed on the rural poor. An integrated approach would combine several elements: removing obstacles which prevented the rural poor from seizing opportunities to improve their lives; preventing conflict by fostering more peaceful and equitable societies based on greater transparency, accountability and decentralization; action in health, education and infrastructure, in synergy with urban development; adequate resources to combat HIV/AIDS; and promoting gender equality and the empowerment of women. The poverty reduction strategy papers (PRSPs) were useful tools for addressing the overall policy framework so as to strengthen national leadership, stakeholder participation and donor coordination. While welcoming the increased focus on investment in agriculture and the increase in lending by the International Development Association (IDA), he emphasized that development must also comprise institutional reform, participatory planning and capacity-building.

14. One important task of the United Nations was to keep reminding development partners of the agreements reached at Monterrey, the Millennium Summit, the World Food Summit and the World Summit on Sustainable Development. It should also identify methods for translating those agreements into practical solutions, especially by promoting an integrated and coordinated approach to rural development.

15. Because trade played a major role in promoting economic development and alleviating poverty, it was essential to reach a successful conclusion of the negotiations under the World Trade Organization's Doha work programme. It was also important to improve market access through preferential schemes, such as the European Union's "Everything but Arms" initiative and its Cotonou Agreement with the African, Caribbean and Pacific countries. Such schemes should be supported by trade-related technical assistance for capacity-building and by mainstreaming trade into national development strategies.

16. The European Union was very concerned about the problems facing many commodity-dependent countries and producers. It supported efforts for diversification, but much more needed to be done to counter the present decline of the commodity sector in the most dependent countries, and to safeguard and enhance the role of commodity production in employment, income-generation and poverty reduction. In April 2004, the European Union had adopted its own comprehensive plan of action along those lines. It welcomed the efforts of UNCTAD to achieve close cooperation on commodities by all stakeholders in the commodity value chains. He hoped for further details of UNCTAD's plans for an international task force on commodities, and especially on ways of ensuring that it did not duplicate other activities in the same area.

17. The regional organizations and regional development banks, which were supported by the United Nations in helping countries to prepare their national plans, should themselves support and underpin national strategies. The planning processes carried out in conjunction with NEPAD should continue to be locally directed, so that investment priorities were integrated into existing national and sectoral frameworks.

18. **Mr. Nebenzya** (Russian Federation) said that the Council, as the key coordinating body in the United

Nations system, should ensure proper linkage between the relevant international processes and programmes, so that the conclusions and recommendations of the high-level segment of its 2003 session could be fully implemented. That could only be achieved by ensuring a broad ongoing exchange of information and experience between institutions and organizations, such as the United Nations system Network on Rural Development and Food Security, established by the Food and Agriculture Organization of the United Nations, and by developing the potential of the regional commissions and achieving greater synergy with international institutions outside the United Nations system, with regional financial institutions and with civil society.

19. External assistance for agricultural development and poverty eradication was still relevant, and should be harmonized with national efforts. In view of the limited financial resources, United Nations system organizations should focus on the priorities of the recipient countries themselves, and especially those activities which acted as catalysers for agricultural development and poverty reduction, and which promoted sustainable development. The priorities included access to water and sanitation, energy supply to rural areas, and the fight against HIV/AIDS and other infectious diseases.

20. Effective coordination of activities on the ground was vital. It would be useful, for instance, to integrate rural development problems into operational activities, to strengthen regional and interregional interaction through the regional commissions, to focus on the subregional and local levels, which were essential in implementing agreed international goals for rural development, and to assist the various regional initiatives in the developing countries, including those under the auspices of NEPAD.

21. Special emphasis should be placed on raising agricultural productivity, assisting rural development in food-insecure countries, especially in Africa, creating "food security networks", and increasing output in areas where arable farming was difficult. He welcomed the increased attention being paid by donors and the international financial institutions to those problems, and to agriculture in the developing countries. There should be a continuing focus on assistance to countries in need, especially in Africa, on developments in agricultural science and technology, and on increasing agricultural productivity while observing international

food safety standards. A real effort should be made to bring about a “second green revolution” in ways which would be of benefit to the poorest countries.

22. He endorsed the conclusions in the report of the Secretary-General, especially those on South-South cooperation, assistance to education and employment programmes, increased microcredit for farmers and the dissemination of modern information and communication technologies in rural communities. In implementing those conclusions, the Council should focus its efforts on securing optimal conditions for resolving the complex problems associated with rural development and poverty eradication, especially in the least developed countries.

23. **Mr. Zhang** Yishan (China) pointed out that three quarters of the world’s poor people lived in rural areas, and 700 million of them in the least developed countries. A coordinated and integrated approach by the United Nations system to the promotion of rural development would help to bring about the attainment of the Millennium Development Goals. The major United Nations conferences and summits had all concluded that poverty eradication and rural development called for system-wide efforts and for a coordinated and integrated approach.

24. Globalization had resulted in a widening gap between the rich and the poor, and the multilateral trading system had been adversely affected, so that the developing countries, and especially the least developed, faced major obstacles in endeavouring to promote rural development and eradicate poverty. Therefore, the international community should seek to create an enabling environment by strengthening cooperation, increasing official development assistance, drastically reducing or cancelling developing country debt, transferring technologies and expanding market access. The United Nations and its Member States and agencies should formulate integrated and coordinated strategies for rural development and poverty eradication, as an important part of economic and social development. He welcomed the fact that rural development and poverty eradication had been incorporated into the Millennium Development Goals. He hoped that due attention would be paid to the actual needs of developing countries, especially the least developed, by simplifying aid procedures and giving due consideration to the local environment. The Food and Agriculture Organization of the United Nations, the World Food Programme and

the International Fund for Agricultural Development should strengthen their cooperation and harmonize their policies on rural development.

25. There was considerable scope for increased South-South cooperation. Developing countries, especially the least developed countries, had valuable experience in microcredit, poverty eradication through reforms and transfers of technology, capacity-building, the participation of women and educational programmes. Countries could learn from one another’s best practices, and such exchanges should be actively promoted by the United Nations.

26. Sustainable rural development was a priority in China. Its national programme of action for agriculture covered increasing inputs, upgrading rural conditions of production, improving infrastructures, improving the biological environment and promoting the application of advanced technologies. Efforts would be made to step up urbanization and promote enterprise development in the countryside and in towns. By modernizing its agriculture, China had been able to feed 22 per cent of the world’s population with only 10 per cent of the world’s arable land, thereby laying a firm foundation for sustainable development.

27. **Mr. Chowdhury** (Bangladesh) welcomed the report by the Secretary-General (E/2004/58). Most people in developing countries lived in ecologically fragile areas and were largely dependent on agriculture, both for food supplies and for income. Rural development was crucial in reducing extreme poverty, because most of the rural population had limited access to communication links, markets, technical support and social services, placing them at risk of poverty, malnutrition, disease and illiteracy. In the least developed countries, the market share of products of the agricultural sector was variable and the terms of trade unreliable. He supported the recommendations for product diversification and for substantial investment in physical and economic infrastructure. The development partners must also ensure the transfer of technology to the least developed countries, and assist them in capacity-building and in meeting the pledges made in the Brussels Programme of Action, the Millennium Declaration and other international meetings and conferences. For that purpose, flows of official development assistance must be stepped up.

28. He welcomed the emphasis placed in the Secretary-General’s report on the need for coordination

among the United Nations agencies. A coherent approach would lead to much better results in rural development. The economic growth which would generate extra output and income should be employment-intensive and allied to education and skills development for rural people. In Bangladesh, almost 90 per cent of the poor lived in rural areas. The country's integrated approach to rural development was drawn partly from the lessons learned through the Bangladesh Academy for Rural Development, which were shared with other developing countries. That integrated approach had enabled Bangladesh to graduate to the "medium" human development category, as assessed in the most recent *Human Development Report* of the United Nations Development Programme.

29. The Government had placed poverty reduction at the centre of its three-year strategy for economic growth, which included researching and developing high-yield crops, providing low-interest agricultural loans not requiring collateral, extensive training, developing rural infrastructures and widening the social safety net. Civil society and non-governmental organizations were also involved in poverty reduction programmes, especially in rural areas. The value of microcredit in Bangladesh had been recognized by the World Bank. Borrowing through microcredit programmes was calculated to reduce moderate poverty among participants by up to 20 per cent, and extreme poverty by up to 22 per cent. It resulted in asset creation, employment-generation, economic security and empowerment, especially of women. Over the past decade, Bangladesh had succeeded in reducing poverty levels by 9 per cent through its integrated approach to rural development, combined with its microcredit programmes.

30. **Mr. Shin** Boo-nam (Republic of Korea) said that the international community recognized rural development as a sine qua non not only for poverty eradication and sustainable development in developing countries but also for the timely achievement of the Millennium Development Goals. With its experience in overcoming the challenges of rural poverty over the past 30 years, his country valued the opportunity to share the lessons it had learned. He welcomed the Secretary-General's call to focus efforts on promoting an integrated approach to rural development through the improvement of policy coordination and coherence at all levels. After a year of working to generate

political impetus for the role of rural development within the overall development process, the international community was well positioned to discuss the ways and means to further improve the coordination of its collective efforts.

31. His delegation fully supported the Secretary-General's promotion of an integrated approach to rural development, which would help to incorporate the economic, social and environmental dimensions into the operational activities and development policies of the United Nations system and other stakeholders. In its commitment to eradicate rural poverty and hunger, the United Nations was obligated to assume the primary responsibility of coordinating the activities of the various actors within and beyond its system with a view to preventing duplication and achieving synergy. For the international community's strategy to achieve the Millennium Development Goals to be effective, it must be coordinated at the global, regional and country levels and must cut across the economic, social and environmental dimensions of rural development. Over the past several decades, his country had learned that in rural development, income-generating projects could play an important role in engaging civil society and providing incentives for local citizens to work towards their own development. He urged the United Nations system to continue its focus on income-generating projects.

32. Human resource development, including education and training, was one of the most critical components of an overall national development strategy. Accordingly, he agreed with the Secretary-General's assertion that education constituted a key aspect of rural development and was concerned at the widespread urban-rural disparities in educational investment and in the quality of teaching and learning. Those disparities must be redressed because of the crucial linkages that needed to be created between educational activities and the specific needs of rural communities.

33. His country was committed, within the limited resources it possessed, to sharing the experiences and lessons learned from its rural development programmes with other developing countries. In cooperation with the Economic and Social Commission for Asia and the Pacific (ESCAP), a variety of programmes had been initiated to assist developing countries in their rural development efforts. The United Nations system, and in particular its regional bodies, should strengthen

coordination mechanisms in the area of rural development knowledge-sharing among developing countries.

34. Collaboration between the United Nations and the Bretton Woods institutions would be crucial to achieving success in rural development, and he welcomed the creation of a Global Platform for Rural Development. Reaching the rural poor was a positive development as was the marked increase in World Bank lending for that sector. He encouraged all the Bretton Woods institutions to continue to participate actively in rural development.

35. Noting the key role that rural development would play in helping to achieve the goals laid out in the Millennium Declaration, he welcomed the efforts of the Secretary-General to enhance policy coordination at all levels and assured the Committee of his country's unwavering support.

36. **Mr. Chave** (Observer for Switzerland) said that integrated rural development went beyond agriculture and the mandates of a number of United Nations entities. It required increased coordination and country execution would be key to improving the quality and impact of United Nations support to developing countries. At the country level, however, the United Nations development system did not always operate as an integrated team. Much remained to be done to maximize the efficiency of the United Nations system in rural development. That could be achieved through UNDAF in support of such national policies as poverty-reduction strategies. Coordination issues related to rural development should also be addressed in the context of the United Nations Development Group.

37. An integrated response was required to address a number of difficult questions, including the strengthening of the resident coordinator system, the role of the specialized agencies in operational activities at the field level, and collaboration between the funds, programmes and agencies. Increased coordination at the country level should be accompanied by a stronger field presence. Switzerland, therefore, supported decentralization and encouraged United Nations entities to ensure a quality field presence at the country level or to be represented by the regional office at crucial moments of system-wide coordination. The role of regional commissions should therefore be

strengthened, as they served as a platform for information exchange on best practices.

38. **Mr. Neil** (Jamaica) said that the Secretary-General's report before the Council raised important issues, but several problems, including rural unemployment, had not been sufficiently developed. For example, the impact of industrialization within the framework of diversification of the agricultural sector should have been considered in greater depth to include food processing and cottage industries. Greater emphasis should also have been placed on such issues as water and energy, as they played an important role in rural development. In view of rising energy prices, sustainable development in the rural sector required renewable energy projects, and he felt that those issues had not received enough attention in the report.

39. **Mr. Chiriboga** (Ecuador) cited a study on the evolution of poverty in his country in the period 1990-2001, which had revealed that 40 per cent of the population lived in rural areas, and that most rural inhabitants were poor. The rural poor depended heavily on agriculture for their income, and poverty rates tended to be high among small farmers and salaried farm workers. Moreover, poverty rates among the indigenous and Afro-Ecuadorian population was 15 times higher than the national average, with more than 80 per cent of indigenous people in rural areas living below the poverty line.

40. Given those statistics, the Government had established a project, in conjunction with the World Bank, designed to strengthen the capacity of the country's indigenous and Afro-Ecuadorian populations for participation in sustainable development projects. The project aimed to improve access to land and water, and the overall management of those resources. It also promoted facilitated access to investment funds and the strengthening of national bodies in terms of equipment, training and assessment in support of the indigenous and Afro-Ecuadorian population. The results of the initial project had been so positive that the World Bank had recently approved an additional loan of \$34 million to finance a second phase, which aimed to benefit more than 1.5 million individuals in Ecuador's poorest rural communities. The United Nations must play a greater role in coordinating the promotion of rural development, including the provision of technical advice, financial assistance and food aid to developing countries. It must also keep in mind that, in order to sharply reduce poverty levels, the solution to rural

development problems included increased market access for developing countries.

41. **Ms. Kulyk** (Ukraine) said the fact that rural development had been featured as one of the key themes in two consecutive Council sessions reflected the critical importance of the issue. Ukraine supported FAO's mobilizing role in promoting agricultural development. While commendable progress had been achieved in promoting the integration of a rural perspective into development policies, there was room for improvement. At the international level, strengthened coherence and coordination between Rome-based institutions were indispensable. The thematic approach should be further promoted, with increased attention to issues such as HIV/AIDS, health care, education and sustainable use of natural resources. More consideration should be given to a clear division of labour between all involved United Nations institutions.

42. She strongly favoured strengthened cooperation between the World Bank and United Nations institutions and welcomed progress in the implementation of the Bank's agriculture and rural development strategy. She also agreed with the need for further United Nations support for regional initiatives. In that regard, she welcomed United Nations activities in support of NEPAD. The signing of a memorandum of understanding between the NEPAD secretariat and the World Food Programme had created a good framework for cooperation. She also encouraged the strengthening of the UNDP Special Unit for Technical Cooperation among Developing Countries, which served as the focal point for South-South cooperation in the United Nations system.

*The meeting rose at 1.05 p.m.*