



General Assembly

Sixty-fifth session

Official Records

Distr.: General
7 December 2010

Original: English

Second Committee

Summary record of the 16th meeting

Held at Headquarters, New York, on Thursday, 21 October 2010, at 10 a.m.

Chairperson: Ms. Ochir (Mongolia)

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The meeting was called to order at 10.10 a.m.

Agenda item 24: Eradication of poverty and other development issues (A/65/336)

(a) Implementation of the Second United Nations Decade for the Eradication of Poverty (2008-2017) (A/65/230 and A/65/267)

(b) Industrial development cooperation (A/65/220)

1. **Mr. Lee** (Department of Economic and Social Affairs) introduced the report of the Secretary-General entitled "Implementation of the Second United Nations Decade for the Eradication of Poverty (2008-2017)" (A/65/230), which set out the response of the United Nations system to the theme "Full employment and decent work for all". The report underscored that, by seeking to coordinate international action for poverty eradication, the Second Decade served as a key component of the integrated follow-up to the internationally agreed development goals, including the Millennium Development Goals (MDGs).

2. Referring to the four key action areas identified in part IV of the report, he said that the response of the United Nations system had been guided by the system-wide plan of action for poverty reduction, focusing in particular on employment creation, including youth employment; social protection, especially of the poor and other vulnerable groups; and the impact of the global financial and economic crisis on employment. The report recommended that the United Nations system should collaborate with Member States, civil society and other partners in implementing the plan of action, along with other initiatives such as the Global Jobs Pact and the Social Protection Floor.

3. He then introduced the report of the Secretary-General entitled "Role of microcredit and microfinance in the eradication of poverty" (A/65/267), which found that microcredit and microfinance services supported the development of entrepreneurship and self-employment opportunities, particularly among women and people living in poverty and in rural areas. The report highlighted the potential contribution of microfinance to a range of development goals, including the MDGs, and showed how, in conjunction with other development strategies, microfinance could have a social protection effect that supported poverty reduction efforts. Noting the shift towards inclusive finance and the recognition of the concomitant need for useful, flexible services and reliable delivery

mechanisms, the report emphasized that financial inclusion policies should be developed in coordination with other social, economic and environmental policies in areas that would complement the positive impacts of microfinance.

4. **Mr. Assaf** (Director of the New York Office of the United Nations Industrial Development Organization (UNIDO)), introducing the report of the Secretary-General entitled "Industrial development cooperation" (A/65/220), outlined its main findings. The fundamental challenge for industry was how to decouple the consumption of natural resources and the release of greenhouse emissions from economic growth. UNIDO had accordingly identified three areas of action through which Governments could promote green industry, particularly in developing countries. That also linked up with the issue of energy, since expanded access to reliable and modern sources of energy could help poorer countries to reduce poverty and meet the MDGs; it was also a fundamental factor in women's empowerment. In that spirit, UNIDO, in developing its technical cooperation services, had long been emphasizing renewable energy and energy efficiency. It had convened major global conferences on the subject in 2008 and 2009 and was recommending policies for improving energy use by industry in developing countries in the *UNIDO Industrial Development Report 2010*, which it was currently finalizing.

5. The global economic crisis had shown that the world was not divided simply into industrialized and developing countries; indeed, many emerging economies had been especially resilient in the face of the crisis. However, the fact that many of the 64 million people whom it had thrown into poverty were in sub-Saharan Africa and South Asia should be an incentive to do more to help those who had fallen by the wayside. In addition to redoubling its efforts to promote green industry, access to energy and energy efficiency, UNIDO would therefore work with its United Nations and other partners to maximize support to developing countries by promoting investment in the productive sectors, encouraging entrepreneurship, enhancing the international competitiveness of developing countries and their ability to participate in trade, promoting South-South cooperation and developing the agro-industrial sector.

6. **Mr. St. Aimee** (Saint Lucia) said that the two reports introduced by Mr. Lee focused on the lowest

rung of the development ladder. While the least developed countries were no doubt the most deserving, the middle-income countries also required attention. Microfinance was not just a mechanism to help people survive; it could also be a mechanism for creating wealth. In his own country, a credit cooperative union had been established that was as competitive as any bank. He therefore called for a change of mindset with regard to microcredit, which should be viewed simply as a means of finance.

7. **Mr. Escalona Ojeda** (Bolivarian Republic of Venezuela) said that his Government had put in place a major microcredit programme in support of social development, with a special focus on the empowerment of women. For example, the Venezuelan Women's Bank offered special credit facilities to women to allow them to become economically active. Microcredit was a means of extending the banking system to reach large numbers of people and offered a basis for a social network to eliminate poverty.

8. **Mr. Assaf** (Director of the New York Office of the United Nations Industrial Development Organization (UNIDO)), responding to the comment of the representative of St. Lucia, said that middle-income countries were indeed an important group and that UNIDO was mindful of their concerns. A substantial part of the *UNIDO Industrial Development Report 2009* was devoted to them.

9. **Mr. Lee** (Department of Economic and Social Affairs) concurred. Despite the apparent emphasis on the poorest countries, the efforts of the United Nations system during the Second Decade, notably in the field of microcredit, spanned all countries, including those in the middle-income range. Moreover, attention was increasingly being given to the development of an inclusive financial sector, since financial and social exclusion was a barrier to the economic development of the poor.

10. **The Chairperson** invited the Committee to engage in a general discussion on the item.

11. **Mr. Alyemany** (Yemen), speaking on behalf of the Group of 77 and China, said that the global nature of poverty called for a multifaceted, integrated approach that would address its economic, political, social, environmental and institutional dimensions as well as its root causes. The recent economic and financial crisis had increased the challenge of poverty reduction, having caused many more people to fall

below the poverty line. It had also produced a global jobs crisis, which had particularly affected the poor and the most vulnerable.

12. Microfinance, particularly microcredit programmes, had proved effective in overcoming poverty and thus could usefully complement macroeconomic policies, which should ensure that the benefits of growth reached everyone, especially the poor, and be so designed as to avert abrupt economic fluctuations. Donor countries should support the national efforts of developing countries in that regard by providing adequate, sustainable and predictable financial resources on either a bilateral or a multilateral basis. The Group therefore called on those countries to meet the agreed ODA targets and reiterated the call for the establishment of an effective monitoring mechanism. The Heads of State of the countries in whose name he was speaking remained committed to operationalizing the World Solidarity Fund; and financial resources were needed to enable that Fund to contribute effectively to achieving the internationally agreed development goals, including the MDGs. He emphasized, moreover, that sustainable industrial development and industrial development cooperation had an essential role to play in that regard and called on the international community to support those efforts.

13. Lastly, the Group called on the United Nations system and other relevant stakeholders to maximize the role of microfinance instruments, including through the identification and development of mechanisms to promote access to sustainable financial services, the removal of institutional and regulatory obstacles, the promotion of financial literacy and the provision of incentives to worthy microfinance institutions.

14. **Mr. de Bassompierre** (Belgium), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, Georgia, the Republic of Moldova and Ukraine, said that eradicating poverty was essential in order to achieve sustainable development. The European Union was fully committed to supporting developing countries, particularly the least developed countries, in their efforts to eradicate poverty and achieve the MDGs. The European Union was concerned about the persistence of poverty, the social impact of multiple

crises and climate change on developing countries, and the lack of opportunities for some countries and people to benefit equally from economic growth and globalization. At the same time, poverty and social exclusion affected all countries and was thus a challenge for all of them.

15. Social protections and job creation must remain at the centre of poverty eradication efforts. The private sector played a crucial role in that regard as a leading source of wealth and employment creation. Social protection policies and the promotion of employment through support to the private sector were an important pillar of the development policy of the European Union.

16. The automatic stabilization effect of the European Union's welfare systems was estimated to have reduced by 50 per cent the impact of the economic crisis on disposable income. Social protection systems therefore played a crucial role in mitigating the impact of economic crises, which reinforced the determination of the European Union to support the International Labour Organization (ILO) in its endeavour to assist developing countries in laying the foundations of a social protection system according to their needs and national priorities. In addition, the European Union supported the principles in the ILO Global Jobs Pact, which demonstrated the international community's determination to implement the decent work agenda.

17. Gender equality played a fundamental role in reducing poverty and mitigating the social effects of the economic crisis. That was made clear in the outcome document of the High-level Plenary Meeting of the General Assembly on the MDGs (A/65/L.1). The MDGs would not be met where women and girls did not enjoy equal social and economic rights and remained excluded from economic and political governance.

18. To contribute to the empowerment of women and girls, the European Union had adopted an action plan for gender equality and women's empowerment in development. That plan ensured that the European Commission and the States members of the European Union acted jointly to support progress towards gender equality in developing countries.

19. A green economy offered the potential of considerable economic growth and poverty reduction, while promoting the sustainable use of resources and reducing environmental impacts. Special attention

should be paid to the sustainable development of agriculture, as most of the world's poor lived in rural areas.

20. Sustainable tourism could also have positive impacts on income generation, job creation and education, thereby contributing to the achievement of the MDGs. Consequently, the European Union welcomed the initiative of Morocco to introduce a draft resolution on that issue.

21. **Mr. Saripudin** (Indonesia), speaking on behalf of the Association of Southeast Asian Nations (ASEAN), which aligned itself with the statement of the Group of 77 and China, said that income inequality between rich and poor nations was growing rapidly and that the global economy seemed to be biased against the weak. The burden of debt reimbursement presented another major hurdle for the least developed countries in their efforts to achieve the MDGs by 2015, because it curtailed their ability to fund development projects. He called for better coordination among all stakeholders and for enhanced efforts to promote regional connectivity and development through infrastructure and information and communications technologies (ICT).

22. ASEAN also called for support for efforts to develop agricultural productivity through greater and more responsible investment; improved research and development; enhanced agricultural innovation and knowledge management; technology transfer and human resources development; and by focusing on small-scale farmers and strengthening agricultural infrastructure in developing countries. ASEAN had demonstrated its commitment to addressing socio-economic disparities and poverty reduction through a number of initiatives, including the implementation of a road map to achieve the MDGs. Poverty reduction was among the most challenging tasks for global leadership, and political and economic stability, supported by vibrant development partnerships, was essential for sustainable development. It was therefore critically important for developing countries to learn how to secure more viable access to international markets. Duty- and quota-free schemes were needed for goods and products from the least developed countries.

23. Developed countries must also fulfil their official development assistance (ODA) commitments: halving extreme poverty by 2015 required steady economic

growth and policies that were more favourable to the poor. To that end, ASEAN called for continued regional and international efforts to provide adequate employment opportunities for all workers. It looked forward to the development of strategic initiatives to help Member States improve their social protection programmes and increase their capacity to manage social risks.

24. **Mr. Sharma** (Nepal), speaking on behalf of the Group of Least Developed Countries, said that attempts by the Group's members to eradicate poverty had been slowed by domestic constraints and an unfavourable external environment characterized by unmet ODA commitments, a lack of substantial debt relief, continuing marginalization in the international trading system, a negligible share of foreign direct investment and a lack of technology transfer. While the overall percentage of those living in extreme poverty had been declining globally, almost half the populations of the least developed countries still lived in extreme poverty and hunger.

25. Despite their best efforts, the least developed countries were lagging behind in their pursuit of the MDGs, although those countries had themselves launched special initiatives during the First Decade for the Eradication of Poverty and had been implementing national plans. However, their efforts had not been matched by an adequate flow of external resources and support. It was therefore necessary for development partners to fulfil their ODA obligations.

26. He stressed that microfinance and microcredit could play a significant role in the socio-economic development of least developed countries, particularly in rural areas. For example, they could help raise incomes, improve housing and promote better education, health and nutritional practices, as well as lower birth and child-mortality rates.

27. In line with the Programme of Action for the Least Developed Countries for the Decade 2001-2010, productive capacity-building, economic diversification and balanced trade were top priorities in wealth-generation and economic development in the least developed countries. It was therefore necessary to implement the 2009 Ministerial Plan of Action adopted by the third conference of the Ministers of Industry and Trade of the least developed countries.

28. **Mr. Mwanyula** (Malawi), speaking on behalf of the Group of African States, said that the General

Assembly, in proclaiming the Second United Nations Decade for the Eradication of Poverty, had recognized that eradicating poverty was a core requirement for sustainable development in developing countries, particularly in Africa. Employment creation on the continent had received much high-level attention recently and thus important initiatives had been taken to promote effective implementation of programmes agreed upon in the framework of the New Partnership for Africa's Development (NEPAD).

29. Highlighting some of those initiatives, he pointed out that the stagnation of employment rates over the past three decades in Africa clearly showed the limitations of African development policies. In that regard, innovation and commitment were required to overcome the continent's employment challenges. Africans must devise development strategies that promoted more investment in labour-intensive sectors, including agriculture, infrastructure, industry and ICT.

30. The increase in economic growth rates had not created many jobs globally over the last decade and Africa still had the highest rate of vulnerable employment among developing countries, as high as 77 per cent in some areas. Africa's growth rate had declined from 4 per cent in 2008 to 1.6 per cent in 2009 as a result of the financial and economic crisis, which had hampered efforts to improve capacity and implement sustainable development policies. The Group called for a shift away from a macroeconomic policy framework that was narrowly focused on controlling inflation and budget deficits towards one aimed at creating full employment and decent work. Enhanced policies and fiscal space were also crucial to enable African countries to address the human and social impacts of the crisis and achieve the MDGs by 2015.

31. **Mr. Mac-Donald** (Suriname), speaking on behalf of the Caribbean Community (CARICOM), which aligned itself with the statement of the Group of 77 and China, said that poverty was a multidimensional and complex phenomenon that, beyond questions of income, encompassed health care, social exclusion, gender equality and education issues.

32. Agricultural productivity and sustainability should be enhanced in the developing countries through supportive economic policies and institutions at the national, regional and international levels. Improvement of capacity-building in sustainable

fisheries management must also be supported as a way to create jobs, generate income and fight malnutrition and hunger. To that end, the Global Partnership for Agriculture, Food Security and Nutrition should be strengthened.

33. He urged development partners to bolster aid to developing countries for the implementation of the Global Jobs Pact and the Social Protection Floor Initiative, launched in 2009 by the United Nations System Chief Executives Board for Coordination (CEB).

34. While each country should take primary responsibility for its own development, the member States of CARICOM were deeply concerned that the global economic crisis had reduced their ability to fight poverty through job creation. Moreover, the reclassification of all CARICOM member States, except for Haiti, as middle-income countries was based on limited and arbitrary macroeconomic criteria, such as per capita income. That was a cause for concern because their so-called “graduation” limited their access to concessionary financing.

35. Increased attention must be given to socially integrating disadvantaged groups. For example, the pay and working conditions of informal workers could be improved by raising the productivity of the self-employed and forming cooperatives or labour unions. Legal empowerment of the poor should be a development strategy. It should focus on removing barriers to formal markets and institutions, promoting property rights systems that favoured the poor and ensuring equitable and sustainable access to land and other natural resources, while fostering food security and sustainable livelihoods.

36. Urgent measures were needed to eliminate hunger, and the developed countries in particular must take effective steps to allocate more resources to help developing countries respond to food security challenges.

37. Lastly, CARICOM wondered whether it might not be better for the United Nations and the international community to consider shifting their focus from eradicating poverty in developing countries to helping them pursue wealth.

38. **Mr. Xing** Jisheng (China) said that, since the First United Nations Decade for the Eradication of Poverty (1997-2006), some progress had been made

towards increasing international cooperation on poverty reduction. However, the international financial crisis had made the task of achieving Goal 1 of the MDGs a daunting challenge.

39. To address that challenge, the international community should mobilize resources and, in promoting global economic recovery, fully take into account the particular circumstances and needs of developing countries, seek to improve the conditions for development and create an international environment conducive to equal opportunities for development. All countries, developed countries in particular, the United Nations and other relevant international institutions should discharge their responsibilities in support of the global endeavour to eradicate poverty.

40. On the basis of their individual circumstances, developing countries should incorporate poverty eradication strategies into their national economic and social development plans, formulate phased goals for assisting the poor and take effective measures to boost economic development. Countries should also mobilize all sectors of society in a partnership to promote the global cause of poverty reduction.

41. Since the launch of the Second United Nations Decade for the Eradication of Poverty (2008-2017), the United Nations had accomplished a great deal to raise awareness, strengthen capacity-building, promote the sharing of best practices and assist with policy formulation. Nevertheless, the United Nations system should do more to enhance its coordination role, promote cooperation and, as far as possible, eliminate the impact of the international financial crisis on employment.

42. His country had always given top priority to the reduction and eventual eradication of poverty, with considerable success. China had also participated in the global drive to reduce poverty and had provided development assistance to many developing countries. At the same time, his Government was keenly aware that China was still a developing country. Achieving poverty reduction, full employment and a good life for all remained a long and arduous task. New national plans were being formulated to transform economic development and bring more tangible benefits to poor areas and regions. China was striving to eliminate absolute poverty by 2020.

43. Industrial development was instrumental in helping developing countries eradicate poverty, increase productivity, create opportunities for productive employment and achieve sustainable development and the MDGs. It also played an important role in improving energy efficiency in industry, increasing the trade competitiveness of small and medium-sized enterprises and promoting environmental protection. In that connection, his delegation welcomed the work done by UNIDO to strengthen partnerships in support of strategies and programmes based on specific national and regional development priorities and advantages with a view to enabling small and medium-sized enterprises of developing countries to enhance their productive activities and trade capacities. China also welcomed the support of UNIDO for energy efficiency and environmental protection in the interests of promoting sustainable industrial development. His Government looked forward to in-depth discussions with UNIDO on green industry and sustainable patterns of production and consumption.

44. With regard to South-South cooperation on industrial development, China was pleased that UNIDO continued to support NEPAD, that UNIDO was playing a more active role in promoting effective participation by developing countries in the global economy and that it was helping those countries derive greater benefits from trade, investment and cooperation on technology.

45. **Mr. Farias** (Brazil) said that his delegation welcomed the renewed commitments made by the international community at the High-level Plenary Meeting of the General Assembly on the MDGs. Although the Goals were interconnected, the focus should be on poverty reduction and the elimination of chronic hunger and malnutrition, which constituted the basis for further progress. Significant additional financial resources must be allocated in a stable and predictable manner if the Goals were to be achieved, and his delegation called upon those developed countries that had not yet done so to fulfil their development commitments, in particular to allocate 0.7 per cent of their gross domestic product (GDP) as ODA.

46. Brazil encouraged all interested countries to adopt the ILO Global Jobs Pact, which offered a general framework within which policy packages tailored to national situations and priorities could be

implemented in order to promote a job-intensive recovery. United Nations funds, programmes and specialized agencies should fully integrate the Pact into their policies and initiatives as a matter of priority, including with regard to the resident coordinator system. His delegation looked forward to receiving the suggestions of CEB members to that end.

47. While many developing countries were moving towards sustained recovery, the consequences of the economic and financial crisis continued to affect others, particularly the poorest and most vulnerable countries. Weak demand in several developed countries remained a serious concern for the world economy. His delegation did not concur with those who defended cuts in public expenditure or tax increases, at least not until the recovery was fully consolidated. Monetary policy alone had a limited ability to stimulate demand at home and caused unwanted spillovers abroad.

48. Industrial development was a key component of national development strategies aimed at diversifying economic production, reducing external vulnerabilities and generating employment and income. Overreliance on commodity exports was not an effective avenue for development. However, newly industrialized countries and countries in the process of industrialization faced technology gaps and financial limitations that hampered efforts to develop higher value-added goods and improve labour productivity.

49. A stronger, better-funded and more ambitious UNIDO could play a positive role in promoting industrial cooperation worldwide. UNIDO should continue to work with other United Nations agencies, particularly the World Intellectual Property Organization, the United Nations Conference on Trade and Development and the United Nations Development Programme, in implementing its development agenda and supporting initiatives to enhance technology transfers and improve industrial production in the countries of the South. Developing local capacities for the production of generic pharmaceuticals was one target area for increased assistance to developing countries.

50. **Mr. Al Saud** (Saudi Arabia) said that Saudi Arabia itself had made great strides in eradicating poverty by integrating the MDGs into its national development strategies: yearly per capita income had risen by 3.5 per cent between 1990 and 2009, and Saudi families living in extreme poverty had accounted

for 1.63 per cent of the total population in 2004 but only 0.8 per cent in 2008.

51. Saudi Arabia had also made significant progress towards achieving other development goals, including enhanced employment opportunities, workforce skills development, especially for women and young people, higher literacy levels, and better health care, social welfare and public services.

52. In addition, Saudi Arabia was participating in the international community's efforts to eradicate poverty. It was also using its substantial institutional and organizational capacities to support the Heavily Indebted Poor Countries (HIPC) Initiative.

53. **Ms. Al-Azzam** (Iraq) said that the adoption of the Millennium Declaration had been one of the General Assembly's finest achievements. However, with only five years to the deadline for the MDGs, more than a billion people worldwide still lived in poverty. In that connection, the Government of Iraq had adopted a national poverty reduction strategy for 2010-2014 to ensure that fewer people fell into the low-income category, to enhance literacy, to close the gender gap in respect of workforce participation and to raise school enrolment rates.

54. Pursuant to new laws relating to economic issues, finance and investment, Iraq's economic situation had greatly improved, with higher per capita income, greater purchasing power and enhanced social welfare. The Government had recently released a national five-year plan, again for the period 2010-2014, which would lead to the creation of 4 million jobs. It was also working to upgrade the performance of the agricultural sector, thereby contributing to the eradication of extreme poverty and hunger.

55. In addition, the Government was vigorously promoting girls' education and applying the principle of equal opportunity in employment. The results were already apparent not only in the Cabinet of Ministers but also in the Council of Representatives, at least a quarter of whose members were women.

56. Iraq was working in cooperation with United Nations agencies to build an economy that was integrated into its international and regional settings, and was concluding agreements with foreign creditors to settle debts and claims that it had inherited from the previous regime. Its debts to Paris Club members had already been significantly reduced, and the

Government expected to reach similar agreements with other creditor States.

57. **Mr. Yoseph** (Ethiopia) called for a strengthened global partnership to address challenges impeding growth and development in the poorest countries, with an emphasis on supporting investment in agro-related industries and businesses, in order to enhance food security and alleviate poverty. Ethiopia and other countries were largely dependent on their agricultural industry and at the same time faced numerous challenges in that sector such as fragmented markets, poor infrastructure and a lack of international competitiveness. In that regard, Ethiopia welcomed the outcome of the High-level Conference on Development of Agribusiness and Agro-industries in Africa, held in Nigeria in March 2010.

58. The expansion of small and medium-scale industries was essential in addressing rising unemployment and growing inequalities in the urban areas of many African and least developed countries. Development partners and the United Nations must continue to exert greater efforts for successful implementation of the Second United Nations Decade for the Eradication of Poverty, the effectiveness of which would depend on the fulfilment of all ODA commitments.

59. Unwavering in its commitment to achieving the MDGs, Ethiopia had successfully implemented its 2005-2010 poverty reduction strategy programme, registering an annual growth rate of 11.6 per cent over the past several years. If the current growth rate were maintained, Ethiopia would achieve the MDGs by 2015. Ethiopia was poised to build on its achievements by introducing a growth and transformation plan, to be implemented in the next five years. Problems associated with distribution required a sustained scaling-up of efforts by development partners to combat poverty in Ethiopia and achieve the MDGs there.

60. **Mr. Muñoz** (Peru) said that his Government fully agreed that the objectives of full employment and decent work were closely linked with poverty eradication. Peru's economic and social policies, which were implemented within a legal framework guaranteeing stability and focused on promoting economic growth and social inclusion, had led to significant progress in combating poverty. Direct and indirect employment had increased to unprecedented

levels in many regions of the country, integrating thousands of small and medium-sized enterprises into an economy that encouraged initiative and creativity.

61. In Peru, a middle-income country, annual public investment of 6 per cent over the past four years had established projects designed to raise the living standards of the poor and facilitate their integration into the economy. Substantial investment by the private sector during the same period had created 2.1 million new jobs.

62. For countries like Peru, industrial development cooperation must focus on mobilizing resources for micro-, small and medium-sized enterprises, whose growth contributed to the fight against poverty. Increased financial support was essential for research, innovation, technology and human resources training.

63. The poorest members of society had suffered most from the negative impact on employment of the recent global financial crisis. The decision to review macroeconomic policies with a view to promoting long-term economic stabilization was therefore most welcome.

64. Developing and emerging countries should be given a greater voice in international forums where reform was under discussion, particularly specialized institutions such as the International Monetary Fund and the World Bank. A constructive dialogue on reform of the international financial architecture must also take into account the views of the smallest countries, meaning the majority of United Nations Member States.

65. Given the urgent need for a strengthened and more coherent United Nations system, Peru welcomed the adoption in October 2009 of the system-wide plan of action for poverty reduction, the overall objective of which was to enhance the coherence of United Nations system-wide activities in the area of employment and decent work.

66. His delegation also welcomed the Global Jobs Pact, in particular the initiatives calling for investment in labour-intensive infrastructure and support for small and medium-sized enterprises, mechanisms which had been effective in promoting employment and combating poverty in Peru.

67. **Mr. St. Aimee** (Saint Lucia) said that the challenge for developing countries lay in making use of their natural resources without harming the

environment. It was therefore a matter of regret that, in his own region, the Caribbean, there was only minimal interaction with UNIDO, which could have a valuable role in the development of appropriate technology for that purpose. Noting that, for Saint Lucia, the nearest UNIDO office was in Panama, which created problems in terms of travel and language, he reiterated his country's request for UNIDO representation in the region, emphasizing the synergies that would thereby be created.

68. UNIDO could also help countries in the region to make the best possible use of national resources to develop rather than buy appropriate technology. Microfinance was the primary avenue for mobilizing such resources, and UNIDO could help to ensure that those resources served to meet the need for technologies tailored to conditions on the ground. That in turn would also have a significant role in the eradication of poverty.

69. **Mr. Srivali** (Thailand) said that his country had made great strides over the years towards achieving Goal 1 of the MDGs and that it hoped to reduce the incidence of poverty to 4 per cent by the end of 2011.

70. Human resources development was crucial for future economic growth. As more of the poor joined the ranks of the middle class it would be increasingly important to have a knowledgeable and well-educated middle class to sustain a thriving democracy. Thailand was working to guarantee equal and fair educational opportunities for all, especially the poor and disadvantaged, and had launched a plan in 2009 to provide 15 years of free education through the secondary level. Ultimately, the artistic and creative energies of a well-educated population would generate value added in trade and services. Ensuring good health was another prerequisite for enabling people to strive to achieve their potential. Thailand had been providing the same level of universal health care to its entire population since 2002.

71. By pursuing policies based on the "sufficiency economy" philosophy, which incorporated values based on moderation, reason and building immunity to external shocks, his Government had helped lift millions of Thais from debt and poverty. In order to narrow the gap between rich and poor, the Government was also pressing ahead with a national reconciliation plan which included a participatory reform process

that, among other issues, addressed economic and social disparity and poverty.

72. **Mr. Daoud** (Sudan) said that international and domestic efforts to address poverty had borne fruit: United Nations statistics showed that the number of people living in extreme poverty in developing countries had declined significantly since the beginning of the decade. At the same time, however, the prices of commodities, especially foodstuffs, had risen, with a resultant negative impact on anti-poverty efforts, aggravated by the global financial crisis and climate change.

73. His Government was devoting substantial resources to agricultural and rural development projects, providing employment, food security and income for residents of rural areas. Nevertheless, its national efforts were inadequate on their own and would need to be supplemented by international input in the form of ODA, flows of which were currently below the levels to which the developed countries had committed.

74. Owing to the current world food crisis, new partnership mechanisms would be necessary to achieve sustainable development in Africa. While research on the root causes of that crisis was undeniably necessary, emergency food aid for low-income people was even more important. The establishment of early food shortage warning mechanisms would be a useful initiative. The World Food Programme's efforts to meet the immediate needs of refugees, migrants and victims of natural disasters, and programmes providing food for schoolchildren, mothers and infants, were admirable. The key to solving the world food crisis and eradicating poverty was a healthy agricultural sector and a green revolution in Africa, which would entail action to tackle drought and desertification, adapt to climate change and achieve effective natural resource management.

75. In order to support the agricultural sector, his Government, had recently announced a "Green Mobilization Project", the execution of which was also expected to have positive impacts on other sectors, such as industry, trade and transport, while water resources would be made available nationwide. However, serious challenges lay ahead, including drought, desertification and climate change. In response, his Government had, among other things,

prepared a national strategy on the issue of climate change.

76. A further impediment to effective action was the heavy burden of the Sudan's foreign indebtedness. To date, unfortunately, it had not been deemed eligible for any form of debt relief, to the detriment of its efforts to implement the MDGs.

77. **Mr. Aiyar** (India) said that while progress had been made towards achieving the MDGs, considerably more was needed in order to retain the credibility of the Goals among the poor. Poverty was multidimensional, as the Goals themselves and the structure of human development index demonstrated.

78. Poverty alleviation was the principal MDG. India's primary tool for achieving that was to increase its rate of GDP growth. It had been singularly successful in that regard and would perhaps become the fastest growing economy in the world before the end of the coming decade.

79. However, growth must be accompanied by improved income distribution and wealth, and the direct attack on poverty must be intensified if the poor were to benefit from growth. Inclusive growth was therefore the overarching objective of his country's Eleventh Five-Year Plan (2007-2012).

80. Moreover, people should not merely be the beneficiaries of governmental and international largesse. Free and fair elections in India had led to the establishment of nearly 300,000 institutions of local self-government comprising some 3.2 million representatives, 1.2 million of whom were women. There were perhaps more democratically elected women in India than in any other country.

81. Although nearly half the world's poor lived in India, his Government was deeply aware of poverty elsewhere, particularly in the least developed countries, landlocked developing countries and small island developing States. India's development cooperation with countries of the South included providing technical assistance, concessional lending, grants and lines of credit, and it was committed to increasing such cooperation in the future in support of both development and humanitarian needs. However, the quantum leap in South-South cooperation could not be a substitute for North-South cooperation.

82. Large parts of the world, developing countries in particular, had become the principal if unwitting

victims of the recent global economic crisis, a fact that underscored the extent to which global governance issues were central to globalization as a vehicle for global prosperity. It was therefore essential to review the structure of institutions responsible for international economic cooperation and consider what steps should be taken at the international level to facilitate the smoother and more rapid achievement of the MDGs.

83. **Mr. Kedar** (Israel) said that Goal 1 of the MDGs was foremost among his country's international development priorities. From its inception, Israel's Agency for International Development Cooperation, MASHAV, had worked with global partners in a number of areas essential for poverty alleviation, in particular agricultural, rural and human development. Those efforts had emphasized the empowerment of women, and had taken into account the importance of full employment and decent work for all.

84. Vast gains in poverty reduction could be achieved by improving local agricultural systems in developing countries. Israel would continue to share efficient and low-cost agricultural technologies with other countries, as it was already doing in partnership with the Government of Ghana, where it was working with smallholders to implement sustainable farming methods in citrus production. To ensure that such efforts produced lasting and sustainable results, Israel's programmes included microfinance and microcredit components and focused on capacity-building.

85. The empowerment of women and youth was a crucial part of any effort to tackle poverty. All too often the cycle of poverty was perpetuated through inadequate education and insufficient life and job skills. Entrepreneurial training designed specifically for women and youth was a central component of MASHAV capacity-building programmes, providing a particularly effective and relatively quick way to overcome poverty and hunger.

86. Women accounted for 70 per cent of the world's poor, and in the least developed countries twice as many women as men over the age of 15 were illiterate. The elimination of gender disparities must therefore be an integral part of poverty reduction and development strategies. The Golda Meir Mount Carmel International Training Centre, which focused on empowering women in local government and community development; microenterprise management and entrepreneurial

training; and early childhood education, would celebrate its fiftieth anniversary in 2011.

87. Israel remained committed to sharing its experience and know-how with partner organizations and countries to help identify the most efficient and successful methods to advance development, decrease poverty and create more sustainable communities worldwide.

88. **Mr. Rosales Díaz** (Nicaragua) said that if poverty was to be eradicated it was essential to address the profound structural challenges of the prevailing economic and social model, such as the concentration of income and wealth in a few hands. The fact that the combined GDP of the 40 poorest countries was less than the total wealth of the seven richest individuals in the world was one of the most conclusive proofs that the system served just a few select interests. That concentration had grown more acute since 1980 with the rise of neo-liberalism and the introduction of the Washington Consensus.

89. Although poverty had increased in Nicaragua between 2001 and 2006, beginning in 2007 the Government of reconciliation and national unity had succeeded in reducing extreme poverty despite the worst financial and economic crisis since the Great Depression. Nicaragua had already achieved Goal 1 of the MDGs by according priority to increasing the productivity of micro-, small and medium-sized enterprises, including by ensuring access to fair credit, seed and fertilizer and making direct payments to women in the informal sector in urban and rural areas. Furthermore, free public education and health care, had been restored; poor city dwellers received public transport, water and electricity subsidies; and low-income state workers received solidarity bonuses.

90. In short, deregulation, privatization, liberalization and minimization of the role of the State had been supplanted by policies to strengthen the State's role as a facilitator and a redistributor for the benefit of the poor. According to the Gini inequality index, Nicaragua now had the lowest level of inequality of all the Central American countries.

91. His country's modest but significant advances were a further manifestation of the new values with which Nicaragua was heading towards the future. Ironically, though, that march towards a new economic and social order had brought his country not only friends and major alliances but also in some cases the

regrettable condemnation of the standard-bearers of human rights who, in reality, had remained stuck in the cold war.

92. The sustainability of his country's progress to date depended not only on economic growth but also, and critically, on the establishment of a new international economic order: one that made it possible to cease observing an International Day for the Eradication of Poverty and ensured that the \$18 billion wasted on payments to save private banking was used instead to eradicate poverty and place the economy in the service of mankind, and not the other way around.

93. A new international economic order was also needed in order to put an end once and for all to an economic system characterized by myriad indefensible economic flaws, a weak State and international political power so concentrated that a vicious circle was created, from which it was extremely difficult to escape. The solution lay in inclusion and in democratizing international political and economic relations in order to secure world peace and stability, human rights, social justice and an end to poverty; in other words, the very purposes for which the United Nations had been established.

94. **Mr. Motanyane** (Lesotho) said that the MDGs and the Second United Nations Decade for the Eradication of Poverty must be considered in tandem. Progress towards the eradication of extreme poverty and hunger had not met expectations, particularly in the least developed countries. Poverty reduction was the overarching global policy challenge, for poverty continued to undermine the efforts of countries to reorient their economies towards significant gains in real growth.

95. It was therefore not surprising that traditional socio-economic practices, including informal microfinance mechanisms, continued to perform a vital function as a safety net in times of crisis. His delegation remained resolutely confident that the daunting challenges of poverty could be addressed successfully provided that sufficient capital, which thus far had been sorely lacking, was made available for business start-ups. The provision of microcredit and microfinance afforded the poor opportunities for self-empowerment through increased access to decent employment, entrepreneurship and the promotion of innovative approaches to income-generating activities.

96. His delegation welcomed the analysis in document A/65/267 of the role of microcredit and microfinance in the eradication of poverty, particularly the sections on microfinance as a tool for development and strengthening the impact of microfinance on poverty eradication. In order to improve the implementation of the two mechanisms, the procedures to be followed when applying for credit should be simplified and the legal and social barriers to the empowerment of women should be removed.

97. While sound macroeconomic policies, especially prudent fiscal policies, were essential for sustainable growth and should be incorporated in the development strategies of developing countries, increased and more effective development aid was also urgently needed. His delegation therefore called on development partners to honour their commitments regarding ODA, which was in a marked decline.

98. In conclusion, he urged delegations to view the dawning of the economic recovery as an auspicious time to establish greater international understanding on the way forward and, drawing lessons from past experiences, to forge ahead with the quest to eradicate poverty.

The meeting rose at 12.55 p.m.