



Statement

by

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UN General Assembly**

on Agenda items

(a) 54a: Globalization and Interdependence

(b) 54c: International migration and development

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Mr. Chairman,

My statement will focus on item 54(a) and (c).

The Secretary-General's report (A/60/322) [under Agenda item 54(a)] on globalization and interdependence, focuses on the increasing need to build inclusive, accountable and dynamic institutions that are pro-poor and pro-development, both at the national and international levels. Such national and international institutions are needed to achieve the internationally agreed development goals and to bring about the integration of developing countries into the global economy.

This is a complex task indeed for everyone, but for the countries most in need of good institutions for their development, that task is truly formidable. I am talking about the efforts being made in this regard by the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, where the issue of establishing, building, strengthening and expanding national institutions is of highest priority. While the report touches on the particular supply side constraints faced by the least developed countries in the context of benefiting from trading opportunities, I believe it is important to highlight the threat of marginalization of these countries in a globalized world and their handicaps in overcoming the obstacles.

The Secretary-General's report addresses in particular the institutional dimension of the challenges of integrating into the world economy. The Brussels Programme of Action for the Least Developed Countries (BPoA) addressed this subject specifically under Commitment 3: Building human and institutional capacities. The issues addressed relate to social infrastructure and social service delivery, including human health, nutrition and sanitation. The promotion of education and the need to provide training – bearing in mind gender perspectives and non-formal education – also received consideration.

The Brussels Programme calls upon development partners to support policies and measures for establishing social safety nets, micro-credit institutions, support of non-governmental organizations that are engaged in such activities, and provision of financial and technical assistance to build credible institutions in the LDCs.

Mr. Chairman,

The Least Developed Countries – and for that matter, the two other disadvantaged groups, Landlocked Developing Countries and Small Island Developing States - will not be able to achieve this task on their own. That is why the BPOA is built on the principle of partnership and calls upon the development partners to support the LDCs in this endeavour by creating policies and measures at the international level conducive to their integration into the global economy. The Programme specifically refers also to the need of effective LDC participation in the international economic decision-making processes and multilateral policy and regulatory issues that affect LDCs' development efforts. Additionally these vulnerable countries clearly need the technical support and resources from their development partners for institutional capacity-building, human resources development, and transfer of knowledge and technology.

These efforts include, as the Secretary-General states in his report, that the fair rules that facilitate the beneficial participation of especially these countries in the global economy, and necessitates that sufficient and predictable resources will be made available to tackle the building of human capacity and infrastructure needs. The issue of meeting basic needs and promote equity is of particular importance in the most vulnerable countries and the social institutional gap, such as in services of education, health, water, sanitation and housing are taking a disproportionate toll on the poorest countries. It is worth noting that the greatest shortfall in this regard is in Africa, home to 34 of the 50 Least Developed Countries.

The challenges discussed in the Secretary-General's report affect the most vulnerable countries in larger measure than the rest of the developing world. As the world economy and the socio-economic environment in which the LDCs operate is constantly changing they are challenged to continually adjust, in addition to the requirements imposed by varying stages of development. Major challenges are also encountered by national institutions, as they are affected by the trends in the global economy and the international socio-political environment. They will also be impacted by global regimes and norms that impose additional obligations on them, negatively impacting the LDCs and other vulnerable countries. Similarly, LDCs are disproportionately affected in the globalization process by the competing demands arising from the pursuit, for example, of the goals of efficiency, equity and sustainability, as this is a competition among unequal partners.

We whole-heartedly agree that “one size does not fit all” and national institutions will have to be tailored to local conditions and situations. In building, it is essential to bear in mind the key features highlighted in the Secretary-General's Report. These are:

- Promoting inclusiveness,
- Enhancing accountability and transparency,
- Innovation and learning and
- Complementarities among institutions.

But, Mr. Chairman, whatever we do and irrespective of our investments, institutions are only as good as the people who design, build and operate them. Human capacity affects the quality of institutions, which including the level of literacy and technical skills, which vary greatly across and within countries.

The 2005 summit outcome reaffirmed the situation of the countries with special needs. In respect of these countries, the development partners are called upon to implement the respective international development goals which provide for concerted

additional support without which their Millennium Development Goals will not be reached. As mentioned in the Summit outcome document and the Secretary-General's report before us International development assistance is crucial in this respect. It is encouraging to note the positive example set by Mozambique, an LDC, in respect of increasing aid effectiveness by establishing a performance assessment framework for the donor community.

We are at the same time pleased to note that the conclusions of the report stress the crucial role of the private sector, civil society and public-private partnerships in delivering development within the new dynamics of interdependence, as we believe that there is immense potential benefit for LDCs in those.

Let me, Mr. Chairman, now address briefly the issue of international migration and development, as migration is a distinct feature of the globalized and interdependent world. Modern globalization has opened unprecedented opportunities for the free flow of capital, goods, services, information, skills and technology and offered new perspectives for integration of developing countries, especially the least developed countries, in the world economy. Whether these countries will benefit from the globalization or remain marginalized depends, inter alia, on our policies on labour and migration.

Growing disparities in the standard of living and level of human security in different parts of the world are driving ever larger numbers of people in more countries around the globe. The poorest countries are the most effected by migration. The number from the least developed countries only has reached more than 10 million in 2000. Migration of skilled workers has negatively effected their growth and development. The impact of "brain drain", currently the subject of a series of press articles, has been especially negative on healthcare system of the least developed countries.

On the other hand, returning migrants bring back skills, knowledge and work experience that boost productivity. Expatriates also transmit significant capital flows through remittances, transfer knowledge and technology which increase productivity and

stimulate growth in countries of origin. Remittances are the largest, as well as a very predictable and stable source of external financing for many poor countries. They are only second to the Foreign Direct Investment (FDI) and by far exceed the Official Development Assistance (ODA). Although remittances are mainly used for consumption of recipients, savings and investment of remittances also increase credit availability and have a positive impact on promotion of entrepreneurship and ultimately, on development.

In 2004 the high-level segment of the Economic and Social Council undertook an assessment of the workers remittances in the LDCs under its theme “Resources mobilization and enabling environment for poverty eradication in the context of the implementation of the Programme for the Decade 2001-2010”. As a follow-up to the 2004 ECOSOC high-level segment, Foreign Minister Rogatien Biaou of Benin and Chair of the LDC Group has taken the initiative to host the Ministerial Conference of the LDCs on the development impact of workers’ remittances on the LDCs to be held in February 2005 in Cotonou. The UN-OHRLLS and IOM have been assisting Benin in the preparation of this conference. The conference aims at taking stock of the situation with workers remittances and formulating policy recommendations on a) reducing transfer costs and improving remittances services; 2) enhancing the development impact of remittances; and 3) improving research and analysis to support remittances policy and programme development. The results of this conference can provide an excellent input to the 2006 High-Level Dialogue on International Migration and Development.

Mr. Chairman, before I conclude, I would like to draw the attention of this Committee to ECOSOC resolution 2005/44 requesting the Secretary-General to include least developed country issues in all relevant reports in the economic, social and related fields. In view of this, I hope that future reports on this subject will contain succinct analysis of the particular situation faced by the LDCs and allow us to more clearly assess their needs. This will be especially relevant at next session of the General Assembly when it conducts a comprehensive mid-term review of the Brussels Programme of Action.