

Remarks by Alicia Bárcena, Executive Secretary of the Economic Commission for Latin America and the Caribbean (ECLAC), at the 12th meeting of the operational activities for development segment of the Economic and Social Council

ECOSOC Chamber, United Nations Headquarters, New York

23 February 2016

Your Excellency, Héctor Alejandro Palma Cerna, Vice-President of the Economic and Social Council (ECOSOC),
Distinguished representatives of Member States,
Colleagues,
Ladies and gentlemen,

It is my pleasure to represent the five regional commissions of the United Nations, the Economic Commission for Africa (ECA), the Economic Commission for Asia and the Pacific (ESCAP), the Economic Commission for Europe (ECE), the Economic Commission for Latin America and the Caribbean (ECLAC) and the Economic Commission for Western Asia (ESCWA), on this panel discussing the organizational arrangements for the 2030 Agenda for Sustainable Development and the critical changes the United Nations system has to undertake to provide better support to Member States implementing this Agenda.

This is the first time that ECOSOC has held a panel discussion devoted to the regional dimension during its operational activities for development segment, and we are pleased that it is explicitly recognizing the growing importance of regionalism. We hope that the current draft of the quadrennial comprehensive policy review (QCPR) will be revised accordingly.

As the moderator has stated, the 2030 Agenda has the clear ownership of Member States and provides the overall development framework, while the Addis Ababa Action Agenda and the Paris Agreement are part of its implementation strategy.

Let us be clear, achieving the objectives of an equality-centred agenda by 2030 will require a change in the style of development and economic, industrial,

social and environmental policies. These will all need to be aligned with progressive structural change.

“Business as usual” is no longer possible and the regional commissions are preparing to align with this paradigm shift.

The regional commissions are the only regional intergovernmental entities in the United Nations system and their structure was designed by our visionary founders (more than 60 years ago) to generate new thinking on policy issues in favour of inclusive development, with an integrated approach in which the economic, social and environmental dimensions interact in our daily work.

The regions’ ability to foster progressive agendas and guide transformational change, and thus innovative ideas, is fundamental. Bringing consolidated regional perspectives, based on substantial analysis and a convergence of views, into the global discourse is key to building consensus on global issues. Member States should recognize this key leadership role, exercised at the regional level, in their deliberations on the longer-term positioning of the United Nations development system.

We provide demand-driven policy advice to Member States, based on the normative, analytical and integrated knowledge of our institutions, but also stemming from the experience of countries from each of our regions.

I understand that yesterday some representatives of Member States, such as the Minister of Economic Integration of Kazakhstan, said that the United Nations system needs to evolve and be reorganized to provide upstream policy advice, tailored to the specificities of each country and focused on addressing national capacity gaps, supporting integration efforts and cross-fertilizing good policy practices in countries.

We work with government authorities to avoid setbacks in such areas as macroeconomics, fiscal policies and finance, and statistics and data collection, as part of a new generation of social policies. Regional and subregional approaches are essential in sectoral and transboundary areas critical to natural disaster prevention, sustainable energy production, water resources management, and regional connectivity. A country presence may not be the optimal channel for the United Nations system to respond to the growing demands of Member States.

The emerging middle-income countries need upstream policy advice to foster agile, flexible and integrated approaches. We would submit that the subregional and regional entities are better positioned to deliver on this critical function.

In this connection, we stand ready to contribute more to enhancing the role of the regional and subregional dimensions in shaping the 2030 Agenda, a universal agenda centred on sustainable development and inclusive of least developed countries (LDCs), landlocked developing countries (LLDCs), middle-income countries (MICs) and small island developing States (SIDS).

For example, we are working with Caribbean countries and multilateral institutions on a debt relief initiative to create a resilience fund for investment in adaptation projects. The total debt of the Caribbean amounts to US\$ 42 billion, of which US\$ 2 billion is owed to multilateral financing institutions. We suggest that these institutions should offer debt relief and redirect these funds to climate change adaptation and mitigation projects.

The institutional architecture of the regional commissions is intergovernmental and intersectoral in nature.

The regional commissions, as intergovernmental bodies, are well suited to providing countries with a "one-stop shop" for policy advice that facilitates integration of the three dimensions of sustainable development. These one-stop shops operate differently in each region, but have a shared vision, supported by the regional coordination mechanisms, established by ECOSOC, which bring together all the United Nations funds, programmes and specialized agencies, chaired by the Deputy Secretary-General and coordinated by the regional commissions.

We believe that regional entities can leverage capacity in support of countries' demands more effectively and efficiently, as well as forge consensus in the regions and bring regional voices to the global table in critical negotiations and decision-making.

Examples of this are the Common African Position on the post-2015 development agenda coordinated by ECA and the African Union and the consensus that was forged on Agenda 2063. There are the ECE environmental conventions and the transport conventions of ECE, ESCAP and ESCWA. At ECLAC, we are the technical secretariat for bodies such as the Statistical

Conference of the Americas, the Regional Council for Planning, the Regional Conference on Women in Latin America and the Caribbean and the Regional Conference on Population and Development in Latin America and the Caribbean —the latter two we convene jointly with UN-Women and the United Nations Population Fund (UNFPA), respectively— and the Regional Conference on Social Development, which we convene in conjunction with the United Nations Development Programme (UNDP).

These inclusive, intergovernmental forums, that work closely with countries, are the most suitable platforms for discussing universal norms and global frameworks and adapting them to regional and country contexts, acting as a dynamic and effective nexus between the global and national levels, stimulating peer learning and promoting policy coherence, consistency and coordination in the implementation of the 2030 Agenda for Sustainable Development.

We have identified four pillars to address the interdependence of all dimensions of development:

1. Integrate the Sustainable Development Goals into national development planning and fiscal frameworks, including national budgets and public investment.

2. Strengthen statistical capabilities for data collection, disaggregation and dissemination in the context of data revolution. Recently we collaborated with the United Nations Statistical Commission to establish regional positions and facilitate global consensus on the global indicator framework for the Sustainable Development Goals. Our networks of national statistical offices were crucial to facilitating agreement among experts on Sustainable Development Goal indicators. The Statistical Conference of the Americas of ECLAC has already agreed to work on non-traditional data sources, including big data, administrative records and civil society, with an increasing emphasis on open data systems. Our participation in the Global Partnership for Sustainable Development Data is an expression of this new approach to data and indicators, in the framework of the data revolution.

3. Support the design and follow-up of the means of implementation in a difficult economic context:

- Identify and promote alternative and innovative sources of financing for development, both regionally and globally, as well as fiscal reform. It is estimated that as much as US\$ 320 billion of public funds, 3.6% of regional

GDP, is lost through tax evasion and tax avoidance, funds that could be made available for financing for development purposes.

- Leverage science, technology and innovation in support of the 2030 Agenda. In Latin America and the Caribbean, we are proposing the establishment of a fund to buy patents relevant to the poorest sectors of society to enable technological innovations to be transferred and scaled to these sectors.

4. Enhance the regional architecture to perform a coordination function among intergovernmental bodies, the United Nations system and non-United Nations organizations, such as the Regional Implementation Forums on Sustainable Development, which are organized by the regional commissions in conjunction with regional and other partners.

Through the Forums, the regional commissions can facilitate member State consensus on regional road maps for implementing the Sustainable Development Goals, producing regional annual reports, establishing peer review mechanisms, setting standards, and examining opportunities to strengthen national institutional frameworks for the coordinated implementation of the Goals. These Regional Forums also represent a natural nexus between the national level and the High-level Political Forum on Sustainable Development and ECOSOC at the global level, and can facilitate the exchange of best practices between regions or different country groupings.

Collaboration and partnerships are already under way with United Nations agencies and regional and subregional organizations, such as the African Union, the Community of Latin American and Caribbean States (CELAC), the Union of South American Nations (UNASUR), the Association of Southeast Asian Nations (ASEAN), the League of Arab States, the European Union and development banks, to prepare annual regional reports on the implementation of the Sustainable Development Goals, as well as other follow-up and review mechanisms.

The Statement of Collaboration from the Chair of the United Nations Development Group recognizes the need to complement the added value and assets of the regional commissions through an enhanced national-regional-global nexus. This is particularly relevant at this juncture when all of us should be rethinking, reengineering and fully preparing to support Member States in the implementation of the 2030 Agenda for Sustainable Development.

The 2030 Agenda will be implemented in a more complex economic and political context: an economic downturn with global growth below 3%; slowing trade; excess liquidity and weak aggregated demand; the economic slowdown in China; the change in monetary policy in the United States with the end of quantitative easing and high interest rates; and financial assets growing faster than investments in the real economy. All this, together with a lack of coordination to expand world output and restructure production, is shaping a recessionary trend.

We are facing tectonic and epochal changes: climate change; financialization rather than investment in the real economy; the fourth industrial revolution; new technological paradigms, such as artificial intelligence and digital and big data revolutions; demographic shifts; and waves of migration. Inequality is growing in all regions of the world.

Credit Suisse revealed that the richest 1% have accumulated more wealth than the rest of the world put together. In 2015, the wealth of 62 individuals was equal to the wealth of the bottom half of humanity (3.6 billion people). The poorest half of the world's population received just 1% of the total increase in global wealth, while half of that increase has gone to the top 1%.

The wage share of GDP has diminished over the past decade in most developed countries as well as in developing countries.

We believe it is time to rethink global governance in order to move towards a new form of a collective Keynesianism, but this time around it should be characterized by a global environmental/sustainable development Keynesianism.

We need a new coalition at the global, regional and national level between the State (governments), the market (the private sector) and civil society to move from business as usual to a new style of development.

The world needs an environmental big push that prizes the quality of economic growth, investment, infrastructure, industrialization, and structural productive change.

We need to revisit the institutional architecture for the 2030 Agenda, as well as provide integrated and multidisciplinary solutions to member countries, support South-South cooperation, sustain the rise of middle-income countries,

support regionalism by deepening regional integration, and strengthen partnerships and policy coherence.

Adhering to the principle of subsidiarity and enhancing the vertical nexuses between the national, regional and global levels will both be critical to repositioning the United Nations development system to deliver effectively and efficiently on the 2030 Agenda. The regional commissions are the key link in that chain.

In order to make good on the promises that the 2030 Agenda embodies, we have to foster a new paradigm, one where public institutions and policies focus on an environmental big push geared towards transforming the production structure and improving the absorption of technical progress, fostering sustainability and equality. This is the basis for boosting high-quality employment and productivity in a manner that will make it possible to sustainably craft more and better social policies; although, there is no single model for giving effect to this vision, as it requires transformations that depend on the specific features of each country and region.

The regional commissions have identified the following key macrothematic areas for creating global public goods that will preserve the interdependence, universality and integration of the Agenda:

- Foster equality, inclusion and social justice.
- Encourage financial stability and financing for development.
- Diversify the production matrix and consumption patterns by incorporating an environmental dimension, with an emphasis on sustainable patterns of production and consumption and on a decarbonized economy, sustainable cities, transport and infrastructure.
- Pursue technological innovation and develop the information and knowledge society through technology transfers and the digital economy.
- Ensure access to information and citizen participation.
- Redefine the equation between the State, the market and society.
- Forge regional voices on the global agenda through institution-building.
- Promote a balanced integration of the economic, social and environmental dimensions of sustainable development in the formulation and implementation of national sustainable development strategies and policies.

I hope the Council and Member States can dwell more on some of these reflections, particularly the assets, business model and modus operandi of the regional commissions, as you move forward with your deliberations on the upcoming quadrennial comprehensive policy review and the longer-term positioning of the United Nations development system in the context of implementation of the 2030 Agenda.

We at the regional commissions remain at your disposal to assist in this process and we are fully committed to accompanying you on the journey towards implementing the 2030 Agenda for Sustainable Development.

Thank you.