ECOSOC High Level Segment Norwegian intervention 4 July 2007

Mr. President,

Let me congratulate you and the Council for making <u>pro-poor</u> growth and <u>equitable</u> policies at all levels the theme of this year's high-level segment.

The question of <u>fair distribution</u> – not only between countries, but equally important – fair distribution between groups and individuals within countries, have largely been missing in the international development debate over the past decades.

As pointed out in the Secretary General's report to this meeting; "Recent experience suggests that despite growth there has been an increase in inequality". And, "the more unequal a society, the higher the growth rate required to reduce absolute poverty, particularly in the absence of progressive redistribution policies".

Norway considers this situation - growth without equity, to be neither morally acceptable nor politically sustainable. We therefore welcome this opportunity to address what we believe are preconditions to achieve pro-poor sustained economic growth.

Mr. President,

Pro-poor sustained economic growth requires first and foremost good governance – at all levels.

And, good governance must include more than the basics – the rule of law, formal democracy and sound management. While these are fundamental ingredients, they do little for poverty-reduction if they are not supplemented by other, more specific policy measures.

Let me highlight three specific policy measures that we have ourselves experienced as vital to ensure pro-poor growth and an equitable and stable society:

Firstly – <u>a strong</u>, transparent, and non-corrupt state with accountable government institutions. This requires first and foremost the political will and right attitudes among national elites – including their <u>willingness to tax</u> in order to provide the necessary funds for a sound public sector – one that can also deliver basic social services, in particular health and education for all, regardless of purchasing power.

Secondly – an active and ambitious policy towards not only entrepreneurship, investment and growth – but equally important – Decent Work for All. To achieve this, job creation and better promotion and protection of workers' rights, including the right to organize and to bargain collectively, must be integral parts of long-term economic policy, and accorded priority in their own rights.

And thirdly – a pro-active policy to promote the rights and opportunities of women. Norway considers gender equality as an explicit objective, and targeted policies to reach that objective, as an integral part of good governance. Actively promoting gender equality is a matter of human rights as well as good economics.

Mr. President,

While we stress the role of good governance at the national level, Norway is the first to acknowledge the role of the international community in promoting propoor growth.

We take our responsibility serious. In addition to our Official Development Assistance of 0,97 percent of our Gross National Income this year, Norway participates in the work to promote innovative mechanisms to finance development, as a way to meet the need for predictability of funding to facilitate long-term planning and sustainable development strategies.

We are also actively involved in promoting better governance, cooperation and coherence among international institutions. This is a matter of high priority, as evidenced by Prime Minister Stoltenberg's co-chairmanship of the UN High Level Panel on System-wide Coherence.

We must redouble our efforts to fully implement the Panel's conclusions, in order to ensure a more efficient – and therefore more relevant and legitimate UN at the country level, and where the efficiency dividend directly benefits the development strategies of the recipient countries.

In addition, let me stress the importance of a more coherent relationship between the UN and other international organizations, including the International

Financial Institutions and the World Trade Organization. We welcome recent policy coherence initiatives, in particular closer collaboration between the ILO and the WTO on the important link between trade and employment.

We hope this will represent a breakthrough in our endeavours to achieve better and more coherent governance of the globalized world economy.

We believe, Mr. President,

that the Economic and Social Council could play a more prominent and active role in facilitating and coordinating increased coherence amongst all relevant international organizations — and help bridge these efforts to policies at the national level.

We therefore fully support the recommendations in the Secretary General's report, that ECOSOC "should promote refinement of the concept of "pro-poor growth" and the identification and implementation of measures to promote such growth in a sustained manner".

We also welcome the recommendation that the Council should facilitate the sharing of experiences in promoting pro-poor sustained economic growth at the national levels and within the UN system.

By taking on such a role, the Economic and Social Council can more actively contribute to fair distribution, and thus to sustainable growth and development.

In this era of global interdependence, promoting pro-poor growth and equitable policies must be a global responsibility.

Thank you for your attention.