

2 December 2010

**Statement of H.E. Mr. Joseph Deiss,
President of the 65th Session of the General Assembly,
at the Parliamentary Hearing at the United Nations: Towards
Economic Recovery: Rethinking Development, Retooling Global
Governance**

Distinguished Members of Parliament,
Ladies and Gentlemen,

I very much appreciate the opportunity to participate in this year's Parliamentary Hearing at the United Nations.

The close collaboration of the Inter-Parliamentary Union that has taken place with the UN since the early 1990s has demonstrated the significant contribution of Parliaments to making international relations and decision-making more transparent and more effective.

As a former member of the Swiss Parliament and now as President of the UN General Assembly, I am particularly pleased to note how national Parliaments and the General Assembly can work fruitfully together.

I appreciate in particular the strong commitment of Parliaments and the Inter-Parliamentary Union to the Millennium Development Goals, which is one of the priorities at the agenda of the 65th session of the General Assembly. In his statement at the MDG Summit, the Secretary-General of the Inter-Parliamentary Union made a call for Parliaments to ensure that the development goals are taken into account in their daily work and translated into national programs and laws. This is indeed very relevant. In particular, Parliaments have to ensure that sufficient resources are available for financing development cooperation activities, and that governments follow through on their ODA commitments.

The Parliamentary Hearing is one important opportunity for bringing our institutions even closer. The theme chosen for this year's Hearing "Towards economic recovery: Rethinking development, retooling global governance" is particularly timely and the topics that you will discuss during these two days are among the most pressing issues of the moment.

I would like to share a couple of thoughts with you; first on the economic and financial crisis, second on sustainable development, and third on global governance.

First, the current turmoil on the financial markets is an illustration of the fragility of the world economy and the weakness of the underlying economic fundamentals. Exchange rates misalignments and current account imbalances are hampering the recovery but there is still much work to be done on the proposals made in Seoul by the G20 in these areas. It is essential to eliminate the current protectionist measures

that are contributing to trade distortions. It is as important not to impose new protectionist measures for the sake of reducing trade imbalances. This might be tempting in the short term. Yet, we all know from lessons of the past that, in the longer term, trade restrictions are detrimental to global prosperity. Coordinated action is needed to avoid costly ‘beggar-thy-neighbour’ policies and to overcome the crisis for the benefit of all countries.

Second, another area where the need for resolute and urgent coordinated action is particularly acute is the environment. If we want to consolidate results in reducing poverty and in fostering economic development, we have to aim for sustainable development. The threats from climate change, loss of biodiversity and vulnerability to natural disasters require that environmental issues figure more prominently in the global development and economic agenda. In particular, we have to step up efforts to reconcile economic growth and environmental concerns by moving towards a green economy and by adopting economic models that are more respectful of the environment. It is an opportunity to ensure sustainable development for the benefit of our planet, ourselves, our children, and our grandchildren.

For me, 'green economy' does not mean 'new conditionality' – as some might fear - but rather 'opportunity' to develop new activities and services and to create jobs.

In this context and in support of the Rio+20 preparatory processes for the Sustainable Development Summit in 2012, the General Assembly will hold a thematic debate on green economy early next year.

The difficulty of collective decision-making on environment is compounded by the fact that the threats of climate change or biodiversity are diffuse and long term while the short term costs of addressing these issues are high. The outcome of the Nagoya Summit on biodiversity is therefore particularly remarkable. Let us hope that climate change negotiations currently taking place in Cancun will be as successful.

Third, climate change and biodiversity, the economic and financial crisis, these are two among the many challenges that we are confronted with today and that can no longer be solved by states acting individually. The world is indeed getting more interconnected and interdependent and we are increasingly facing global challenges that affect all countries and their citizens.

These challenges have to be addressed through global decision-making and global action, that is through global governance. Let me clarify that global governance is not the same thing as global government. We are not heading towards establishing a world government; global governance is a way of organizing decision-making in a world of sovereign entities with their national parliaments. Furthermore, global governance should be based on the principle of subsidiarity. Problems that can be solved at the local or national level should be addressed at this level.

Today, the global governance landscape has become more complex, with the emergence, next to the traditional international organizations like the UN and the Bretton Woods institutions, of informal groups of countries such as the G20, that can take coordinated actions in a more expeditious manner.

Yet, if we have to acknowledge that these smaller groupings can indeed act efficiently, their inclusiveness and legitimacy on the other hand is questionable. We have to find the best possible articulation between efficiency as well as decisive action, legitimacy and accountability.

I am convinced that, due to its unique legitimacy, to its expertise and its presence in the field, the United Nations and its General Assembly have a central role to play to capture the complexity of this new world and to have the leadership in a global governance structure that is efficient, open and representative.

The point is to find the appropriate mechanisms for communication, consultation and cooperation between the UN and more informal groups of countries, and non governmental organizations from civil society and the private sector, which are also playing an increasing role in shaping today's world.

This is to raise awareness on this issue that I proposed global governance as the topic for the general debate of the sixty-fifth General Assembly last September. World leaders clearly expressed that the United Nations is the central forum for global governance but that urgent reforms need to be undertaken to make the organization fit for the job.

I am committed to working towards this end. As a practical step, I have convened informal meetings of the General Assembly pre- and post-G20 Summits with the Secretary-General and the G20 host country.

This bridge building exercise provided an informal institutional framework to all the United Nations Member States, whether they have been invited to the G20 Summit or not, to have first-hand briefings and to express their views on the discussions and the outcomes of the Seoul Summit.

This is an essential element in the process of giving more legitimacy and accountability to proposals that affect countries that have not had the chance to participate in the first stages of decision-making.

As a further step, I also intend to organize a General Assembly thematic debate during the first half of next year to reflect on mechanisms for reaffirming the central role of the United Nations in a governance system that is inclusive and representative. This will be the opportunity to reflect on how to strengthen an economic body like ECOSOC, to enable it to fully serve the purpose for which it was established.

My vision is of a strong United Nations and General Assembly, exercising leadership in the global governance system. In this context, Parliaments are instrumental in providing political support to issues discussed and resolutions adopted at the General Assembly. Parliaments furthermore have an important role to ensure accountability and transparency in the decision-making process. Parliaments are a key actor in governance.

I am looking forward to continue our fruitful dialogue on global challenges and to hear your views on global governance.