

H.E. Mr. Juergen Schulz (Germany)

Vice President of ECOSOC

Remarks for interactive dialogue with intergovernmental bodies of major institutional stakeholders - Segment 2: Inequalities and inclusive growth

3-6 p.m., Monday 22 May, 2017

Trusteeship Council Chamber

Excellency Mr. Frederick Musiiwa Makamure Shava,

Members of the Boards of the World Bank Group, the IMF and UNCTAD,

Distinguished Delegates,

Thank you very much for the opportunity to participate in this interactive dialogue with the intergovernmental bodies of the World Bank Group, the IMF and UNCTAD. The dialogue presents an important opportunity for a candid exchange between the participating organisations and it will make an important contribution to our common understanding on how to foster policy coherence in the implementation of the Addis Ababa Action Agenda and how to address inequalities and inclusive growth.

Inequality is one of the most serious challenges that the international community is facing. Despite the achievements in the fight against poverty and high growth rates in some emerging markets, the gap between the wealthy and the poor has widened. According to Oxfam, 8 billionaires own the same wealth as the poorest half of our planet.¹ The Addis Agenda therefore rightly points out that inequalities within many countries have increased dramatically. SDG 10 further calls to reduce inequality within and among countries.

Women, children, disabled people, indigenous groups are often particularly affected. We need to be aware that inequality refers to multiple areas – gender, income, wealth, opportunities, access to health, education, technology and other human needs. Rising inequality thus does not only diminish the progress in the fight against poverty, but also compromises social justice, stability and human dignity. If we do not address inequalities in their

¹ <https://www.oxfam.org/en/pressroom/pressreleases/2017-01-16/just-8-men-own-same-wealth-half-world>

entirety, it will seriously threaten the success of the 2030 Agenda for Sustainable Development.

In 2016, the President of ECOSOC convened a special meeting on inequality which convened leading experts from academia, governments, the private sector, the UN system and other stakeholders to identify policy options and approaches for reducing inequality. One of the key messages from the meeting was that to leave no one behind, those furthest behind must be the main focus of policy action. Therefore, we need to establish inclusive institutions at all levels to make sure that those with the greatest needs are heard.

We also need the right policies and regulations to ensure that everyone can benefit from the economic gains of a society. The financial crisis revealed the magnitude of the impact of poorly regulated financial markets. Some progress has been made, but we need to continue to improve our mechanisms that mitigate market outcomes that reinforce inequality and we need to do more to ensure inclusive and sustainable economic growth. We also need to continue to address systemic issues at the international level by ensuring that developing countries are fully represented in international economic and financial institutions.

To make sure that our policies are based on robust evidence, strengthen the quality and further disaggregation of data is essential. To reach those most in need in our societies, we need to understand the dynamics within and between vulnerable groups. This requires better data based on gender, race, ethnicity, economic status, disability, etc. to ensure that policies can be targeted effectively.

The international community will have to further strengthen its efforts in implementing the commitments on inequalities from the Addis Agenda as well as SDG 10. In the context of this dialogue, I want to emphasise that I was happy to see the recognition in this year's Development Committee communiqué that reducing inequality is necessary to ensure long-term and sustainable growth. The Development Committee also urges the World Bank Group and the IMF to redouble efforts to eradicate poverty and ensure that the benefits of international economic integration are shared widely. ECOSOC

will continue its discussion on how to address inequalities to make sure that the implementation of the 2030 Agenda will be on track and that we will achieve our shared goals.

Thank you.