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Globalization and interdependence

Report of the Second Committee*

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I. Introduction

1. The Second Committee held a substantive debate on agenda item 54 (see A/60/490, para. 2). Action on sub-item (a) was taken at its 25th and 37th meetings, on 9 November and 15 December 2005. An account of the Committee's consideration of the sub-item is contained in the relevant summary records (A/C.2/60/SR.25 and 37).

II. Draft resolutions A/C.2/60/L.12 and A/C.2/60/L.71

2. At the 25th meeting, on 9 November, the representative of Jamaica, on behalf of the States Members of the United Nations that are members of the Group of 77 and China, introduced a draft resolution entitled "Role of the United Nations in promoting development in the context of globalization and interdependence" (A/C.2/60/L.12). The draft resolution read as follows:

"The General Assembly,

"Recalling its resolutions 53/169 of 15 December 1998, 54/231 of 22 December 1999, 55/212 of 20 December 2000, 56/209 of 21 December 2001, 57/274 of 20 December 2002, 58/225 of 23 December 2003 and 59/240 of 22 December 2004 on the role of the United Nations in promoting development in the context of globalization and interdependence,

"Recalling also the development section of the 2005 World Summit Outcome,

* The report of the Committee on this item will be issued in five parts, under the symbol A/60/490 and Add.1-4.

“Recalling further its resolution 57/270 B of 23 June 2003 on the integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic and social fields,

“Reaffirming the resolve expressed in the United Nations Millennium Declaration to ensure that globalization becomes a positive force for the people of the world,

“Recognizing that globalization and interdependence have opened new opportunities for the growth of the world economy and development, that globalization offers new perspectives for the integration of developing countries into the world economy and that it can improve the overall performance of the economies of developing countries by opening up market opportunities for their exports, by promoting the transfer of information, skills and technology and by increasing the financial resources available for investment in physical and intangible assets, acknowledging that globalization has also brought new challenges for growth and sustainable development and that developing countries have been facing special difficulties in responding to them, recognizing that some countries have successfully adapted to the changes and benefited from globalization but that many others, especially the least developed countries, have remained marginalized in the globalizing world economy, and recognizing also that, as stated in the Millennium Declaration, the benefits and costs of globalization are very unevenly distributed.

“Reaffirming the commitment to eradicate hunger and poverty and promote sustained economic growth, sustainable development and global prosperity for all and to promoting the development of the productive sectors in developing countries to enable them to participate more effectively in and benefit from the process of globalization,

“Reaffirming also the significant importance of an open, universal, equitable, rule-based, predictable, non-discriminatory and balanced multilateral trading system in pursuit of sustained economic growth, poverty eradication and sustainable development,

“Taking note of the adoption of the Convention on the Protection and Promotion of the Diversity of Cultural Expressions by the General Conference of the United Nations Educational, Scientific and Cultural Organization at its thirty-third session, and noting that the preservation and promotion of cultural diversity is the key to sustainable human development, as a contribution to a fair globalization,

“1. Takes note of the report of the Secretary-General;

“2. Reaffirms the commitment to sound policies, good governance at all levels and the rule of law, to mobilize domestic resources, attract international flows, promote international trade as an engine for development and increase international financial and technical cooperation for development, sustainable debt financing and external debt relief and to enhance the coherence and consistency of the international monetary, financial and trading systems;

“3. *Reaffirms also* that good governance at the international level is fundamental for achieving sustainable development and that, in order to ensure a dynamic and enabling international economic environment, it is important to promote global economic governance through addressing the international finance, trade, technology and investment patterns that have an impact on the development prospects of developing countries, and to this effect calls on the international community to take all necessary and appropriate measures, including ensuring support for structural and macroeconomic reform, a comprehensive solution to the external debt problem and increasing the market access of developing countries;

“4. *Reaffirms further* that each country has primary responsibility for its own development, that the role of national policies and development strategies cannot be overemphasized in the achievement of sustainable development and that national efforts should be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of developing countries, while taking into account national conditions and ensuring respect for national ownership, strategies and sovereignty;

“5. *Stresses* that, in the increasingly globalizing interdependent world economy, a holistic approach to the interconnected national, international and systemic challenges of financing for development, namely, sustainable, gender-sensitive and people-centred development, is essential in order to open up opportunities for all and to ensure that resources are created and used effectively and that solid and accountable institutions are established at all levels;

“6. *Stresses also* that development strategies have to be formulated with a view to minimizing the negative social impact of globalization and maximizing its positive impact, while ensuring that all groups of the population, in particular the poorest, benefit from it, and that at the international level, efforts have to converge on the means to achieve the internationally agreed development goals, including the Millennium Development Goals;

“7. *Stresses further* the special importance of creating an enabling international economic environment through strong cooperative efforts by all countries and institutions to promote equitable economic development in a world economy that benefits all people, and in that context invites developed countries, in particular the major industrialized countries, which have significant weight in influencing world economic growth, when formulating their macroeconomic policies, to take into account whether the effects of those policies in terms of the external economic environment would be favourable to the growth and development of developing countries;

“8. *Underlines* the fact that the increasing interdependence of national economies in a globalizing world and the emergence of rule-based regimes for international economic relations have meant that the space for national economic policy, i.e. the scope for domestic policies, especially in the areas of trade, investment and industrial development, is now often framed by international disciplines, commitments and global market considerations, that it is for each Government to evaluate the trade-off between the benefits of

accepting international rules and commitments and the constraints posed by the loss of policy space and that it is particularly important for developing countries, bearing in mind development goals and objectives, that all countries take into account the need for appropriate balance between national policy space and international disciplines and commitments;

“9. *Also underlines* the fact that, in addressing the linkages between globalization and sustainable development, particular focus must be placed on identifying and implementing policies and practices that advance and strengthen the interdependent and mutually reinforcing pillars of sustainable development, namely, economic development, social development and environmental protection, taking into account the Rio principles, including the principle of common but differentiated responsibilities, as set out in principle 7 of the Rio Declaration on Environment and Development, and that facilitate the transfer of environmentally sound technologies on concessional and preferential terms, which, as mutually agreed, is essential for sustainable development;

“10. *Reaffirms* the central role of the United Nations in the promotion of international cooperation for development and enhancing the coherence, coordination and implementation of development goals and actions agreed upon by the international community and in strengthening coordination within the United Nations system in close cooperation with all other multilateral financial trade and development institutions in order to support sustained economic growth, poverty eradication and sustainable development;

“11. *Reaffirms also* the commitment to broaden and strengthen the participation of developing countries and countries with economies in transition in international economic decision-making and norm-setting, and to that end calls for advancing the efforts to reform the international financial architecture, especially the ongoing efforts to enhance the voice and participation of developing countries and countries with economies in transition in the Bretton Woods institutions, taking into account the progress in the context of the International Monetary Fund quota review;

“12. *Emphasizes* the significant importance of fulfilling the development dimension of the Doha development agenda, which places the needs and interest of developing countries, including the least developed countries, at the heart of the Doha work programme, while reiterating the important role that enhanced market access, balanced rules and well-targeted, sustainable financed technical assistance and capacity-building programmes can play in the economic development of those countries, and calls for the fullest realization of the Doha Work Programme and the decision taken by the General Council of the World Trade Organization on 1 August 2004 underlining that special attention shall be given to specific trade and development needs and concerns of developing countries, including special and differential treatment and implementation issues, and to the successful completion of the Doha round of trade negotiations in 2006;

“13. *Stresses* the importance of building a people-centred and inclusive information society so as to enhance digital opportunities for all people in order to help bridge the digital divide, putting the potential of information and communication technologies at the service of development and addressing new

challenges of the information society, and in this regard calls for the implementation of the outcomes of the Geneva phase of the World Summit on the Information Society and ensuring the success of the second phase of the Summit;

“14. *Calls upon* the international community, in particular the organizations of the United Nations system, and invites the World Trade Organization, the World Bank, the International Monetary Fund and other multilateral development organizations to promote the integration of the development dimension, in their policies and programmes;

“15. *Calls upon* the organs and bodies of the United Nations, and invites the organizations of the United Nations system, to consider, within their mandates, the report of the World Commission on the Social Dimension of Globalization entitled ‘A Fair Globalization: Creating Opportunities for All’, invites relevant organizations of the United Nations system and other relevant multilateral bodies to provide information to the Secretary-General on their activities to promote an inclusive and equitable globalization, and also calls upon Member States to consider the report;

“16. *Stresses* the importance of migration as a phenomenon accompanying increased globalization, including its impact on economies, and underlines further the need for greater coordination and cooperation among countries as well as relevant regional and international organizations in order to identify appropriate ways and means to maximize its development benefits and minimize its negative impact;

“17. *Emphasizes* the need for actions at the global level that allow developing countries to take advantage of new technologies as well as harness their own technological capacities, including by ensuring that the intellectual property rights regime is development-oriented and enables technological diffusion and adaptation;

“18. *Stresses* the need to promote corporate responsibility and accountability, including through the improvement of voluntary international instruments and appropriate national regulations in order to help increase the contribution of corporate actors, especially transnational corporations, to the advancement of development goals, while recognizing that within their respective spheres of action, corporate actors, especially transnational corporations, have an important role in supporting technology transfer, supplier linkages and the provision of access to export markets for developing countries;

“19. *Requests* the Secretary-General to submit to the General Assembly at its sixty-first session, a report on the implementation of the present resolution under the agenda item entitled ‘Globalization and interdependence’.”

3. At its 37th meeting, on 15 December, the Committee had before it a draft resolution entitled “Role of the United Nations in promoting development in the context of globalization and interdependence” (A/C.2/60/L.71), submitted by the Vice-Chairman of the Committee, Mr. Juraj Koudelka (Czech Republic), on the basis of informal consultations held on draft resolution A/C.2/60/L.12.

4. At the same meeting, the representative of Azerbaijan, in her capacity as facilitator, made the following corrections to the draft resolution:

(a) Operative paragraph 19, which read:

19. *Calls upon* the organs and bodies of the United Nations, and invites the organizations of the United Nations system, to consider, within their mandates, the report of the World Commission on the Social Dimension of Globalization entitled “A Fair Globalization: Creating Opportunities for All”, and also calls on Member States to consider the report;

was deleted and the following paragraphs renumbered accordingly.

(b) In operative paragraph 22, the words “communication technologies” were corrected to read “communications technology”.

5. Also at the same meeting, the Committee adopted draft resolution A/C.2/60/L.71, as orally corrected (see para. 7).

6. In the light of the adoption of draft resolution A/C.2/60/L.71, draft resolution A/C.2/60/L.12 was withdrawn by its sponsors.

III. Recommendation of the Second Committee

7. The Second Committee recommends to the General Assembly the adoption of the following draft resolution:

Role of the United Nations in promoting development in the context of globalization and interdependence

The General Assembly,

Recalling its resolutions 53/169 of 15 December 1998, 54/231 of 22 December 1999, 55/212 of 20 December 2000, 56/209 of 21 December 2001, 57/274 of 20 December 2002, 58/225 of 23 December 2003 and 59/240 of 22 December 2004 on the role of the United Nations in promoting development in the context of globalization and interdependence,

Recalling also the 2005 World Summit Outcome,¹

Recalling further its resolution 57/270 B of 23 June 2003 on the integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic and social fields,

Reaffirming the resolve expressed in the United Nations Millennium Declaration² to ensure that globalization becomes a positive force for all the world's people,

Recognizing that globalization and interdependence have opened new opportunities for the growth of the world economy and development, that globalization offers new perspectives for the integration of developing countries into the world economy and that it can improve the overall performance of the economies of developing countries by opening up market opportunities for their exports, by promoting the transfer of information, skills and technology and by increasing the financial resources available for investment in physical and intangible assets, acknowledging that globalization has also brought new challenges for growth and sustainable development and that developing countries have been facing special difficulties in responding to them, recognizing that some countries have successfully adapted to the changes and benefited from globalization but that many others, especially the least developed countries, have remained marginalized in the globalizing world economy, and recognizing also that, as stated in the Millennium Declaration, the benefits are very unevenly shared, while its costs are unevenly distributed,

Recognizing also that all human rights are universal, indivisible, interdependent and interrelated,

Recognizing further that an enabling economic environment should, inter alia, foster a dynamic and well-functioning business sector and include efforts to further promote good corporate and public-sector governance, to combat corruption in the public and private sectors and to promote the strengthening of and respect for the rule of law,

¹ See resolution 60/1.

² See resolution 55/2.

Noting that particular attention must be given, in the context of globalization, to the objective of protecting, promoting and enhancing the rights and welfare of women and girls, as stated in the Beijing Declaration and Platform for Action,³

Noting also that an overall commitment to multiculturalism helps to provide an environment for preventing and combating discrimination and promoting solidarity and tolerance in our societies,

Noting further the ongoing work on cultural diversity in the United Nations Educational, Scientific and Cultural Organization,

Reaffirming the commitment to eradicate poverty and hunger and promote sustained economic growth, sustainable development and global prosperity for all and to promote the development of the productive sectors in developing countries to enable them to participate more effectively in and benefit from the process of globalization,

Reaffirming also its strong support for fair globalization and its resolve to make the goals of full and productive employment and decent work for all, including for women and young people, a central objective of relevant national and international policies as well as national development strategies, including poverty reduction strategies, as part of the efforts to achieve the Millennium Development Goals, and that these measures should also encompass the elimination of the worst forms of child labour, as defined in International Labour Organization Convention No. 182, and forced labour, and resolving to ensure full respect for the fundamental principles and rights at work,

Reaffirming further the commitment to broaden and strengthen the participation of developing countries and countries with economies in transition in international economic decision-making and norm-setting, and to that end stressing the importance of continuing efforts to reform the international financial architecture, and noting that enhancing the voice and participation of developing countries and countries with economies in transition in the Bretton Woods institutions remains a continuing concern,

Reaffirming its commitment to governance, equity and transparency in the financial, monetary and trading systems and its commitment to open, equitable, rule-based, predictable and non-discriminatory multilateral trading and financial systems,

1. *Takes note* of the report of the Secretary-General;⁴

2. *Reaffirms* the need for the United Nations to play a fundamental role in the promotion of international cooperation for development and the coherence, coordination and implementation of development goals and actions agreed upon by the international community, and resolves to strengthen coordination within the United Nations system in close cooperation with all other multilateral financial, trade and development institutions in order to support sustained economic growth, poverty eradication and sustainable development;

3. *Reaffirms also* that good governance is essential for sustainable development; that sound economic policies, solid democratic institutions responsive

³ *Report of the Fourth World Conference on Women, Beijing, 4-15 September 1995* (United Nations publication, Sales No. E.96.IV.13), chap. I, resolution 1, annexes I and II.

⁴ A/60/322.

to the needs of the people and improved infrastructure are the basis for sustained economic growth, poverty eradication and employment creation; and that freedom, peace and security, domestic stability, respect for human rights, including the right to development, and the rule of law, gender equality, market-oriented policies and an overall commitment to just and democratic societies are also essential and mutually reinforcing;

4. *Reaffirms further* that good governance at the international level is fundamental for achieving sustainable development, that, in order to ensure a dynamic and enabling international economic environment, it is important to promote global economic governance through addressing the international finance, trade, technology and investment patterns that have an impact on the development prospects of developing countries, and that to this effect the international community should take all necessary and appropriate measures, including ensuring support for structural and macroeconomic reform, a comprehensive solution to the external debt problem and increasing the market access of developing countries;

5. *Reaffirms* that each country has primary responsibility for its own development, that the role of national policies and development strategies cannot be overemphasized in the achievement of sustainable development and that national efforts should be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of developing countries, while taking into account national conditions and ensuring respect for national ownership, strategies and sovereignty;

6. *Recognizes*, at the same time, that domestic economies are now interwoven with the global economic system and that, inter alia, the effective use of trade and investment opportunities can help countries to fight poverty;

7. *Stresses* that, in the increasingly globalizing interdependent world economy, a holistic approach to the interconnected national, international and systemic challenges of financing for development, namely, sustainable, gender-sensitive and people-centred development, is essential and that such an approach must open up opportunities for all and help to ensure that resources are created and used effectively and that solid and accountable institutions are established at all levels;

8. *Stresses also* that development strategies have to be formulated with a view to minimizing the negative social impact of globalization and maximizing its positive impact, while striving to ensure that all groups of the population, in particular the poorest, benefit from it, and that at the international level, efforts should focus on the means to achieve the internationally agreed development goals, including the Millennium Development Goals;

9. *Stresses further* that in the common pursuit of growth, poverty eradication and sustainable development, a critical challenge is to ensure the necessary internal conditions for mobilizing domestic savings, both public and private, sustaining adequate levels of productive investment and increasing human capacity, while a crucial task is to enhance the efficacy, coherence and consistency of macroeconomic policies and an enabling domestic environment is vital for mobilizing domestic resources, increasing productivity, reducing capital flight, encouraging the private sector and attracting and making effective use of

international investment and assistance, and in this regard stresses also that efforts to create such an environment should be supported by the international community;

10. *Stresses* the special importance of creating an enabling international economic environment through strong cooperative efforts by all countries and institutions to promote equitable economic development in a world economy that benefits all people;

11. *Invites* developed countries, in particular major industrialized economies, to take into account the effect of their macroeconomic policies on international growth and development;

12. *Underlines* the fact that the increasing interdependence of national economies in a globalizing world and the emergence of rule-based regimes for international economic relations have meant that the space for national economic policy, i.e., the scope for domestic policies, especially in the areas of trade, investment and industrial development, is now often framed by international disciplines, commitments and global market considerations, that it is for each Government to evaluate the trade-off between the benefits of accepting international rules and commitments and the constraints posed by the loss of policy space and that it is particularly important for developing countries, bearing in mind development goals and objectives, that all countries take into account the need for appropriate balance between national policy space and international disciplines and commitments;

13. *Underlines also* that in addressing the linkages between globalization and sustainable development, particular focus should be placed on identifying and implementing mutually reinforcing policies and practices that promote sustained economic growth, social development and environmental protection and that this requires efforts at both the national and international levels;

14. *Underlines further* that the issue of enhancing the voice of developing countries and countries with economies in transition in the Bretton Woods institutions is of vital importance, stresses the importance of advancing ongoing work in this regard, taking into account progress in the context of the International Monetary Fund quota review, and invites the World Bank and the International Monetary Fund to continue to provide information on this issue, using existing cooperation forums, including those involving Member States;

15. *Reaffirms* the commitments made in the Doha Ministerial Declaration⁵ and the decision of the World Trade Organization General Council of 1 August 2004 to fulfilling the development dimensions of the Doha Development Agenda, which places the needs and interests of developing and least developed countries at the heart of the Doha work programme,⁵ and calls for the successful and timely completion of the Doha round of trade negotiations with the fullest realization of the development dimensions of the Doha work programme, and looks to the Sixth Ministerial Conference of the World Trade Organization, to be held in Hong Kong, China, from 13 to 18 December 2005, to constitute an important milestone to this end;

16. *Stresses* the importance of building a people-centred and inclusive information society so as to enhance digital opportunities for all people in order to

⁵ A/C.2/56/7, annex.

help bridge the digital divide, putting the potential of information and communication technologies at the service of development and addressing new challenges of the information society, and in this regard calls for the implementation of the outcomes of the World Summit on the Information Society;⁶

17. *Reaffirms* that development is a central goal in itself and that sustainable development in its economic, social and environmental aspects constitutes a key element of the overarching framework of United Nations activities, stresses the importance of continuing efforts in this regard, and invites the World Bank, the International Monetary Fund, the regional development banks and other relevant institutions to further integrate development dimensions into their strategies and policies, consistent with their respective mandates;

18. *Reaffirms also* that gender equality is of fundamental importance for achieving sustained economic growth, poverty eradication and sustainable development, in accordance with the relevant General Assembly resolutions and United Nations conferences, and that investing in the development of women and girls has a multiplier effect, in particular on productivity, efficiency and sustained economic growth, in all sectors of economy, especially in key areas such as agriculture, industry and services;

19. *Invites* relevant organizations of the United Nations system and other relevant multilateral bodies to provide information to the Secretary-General on their activities to promote an inclusive and equitable globalization;

20. *Stresses* the importance of migration as a phenomenon accompanying increased globalization, including its impact on economies, and underlines further the need for greater coordination and cooperation among countries as well as relevant regional and international organizations;

21. *Recognizes* that science and technology, including information and communications technology, are vital for the achievement of the development goals and that international support can help developing countries to benefit from technological advancements and enhance their productive capacity, and in this regard reaffirms the commitment to promoting and facilitating, as appropriate, access to and the development, transfer and diffusion of technologies, including environmentally sound technologies and corresponding know-how, to developing countries;

22. *Recognizes also* the special needs of the least developed countries, the small island developing States, and the landlocked developing countries within the new global framework for transit transport cooperation for landlocked and transit developing countries, as contained in the Almaty Programme of Action,⁷ and reaffirms continued support and assistance for their endeavours, particularly in their efforts to achieve the internationally agreed development goals, including those contained in the Millennium Declaration,² and the implementation of the Brussels Programme of Action for the Least Developed Countries for the Decade 2001-

⁶ See A/C.2/59/3.

⁷ *Report of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, Almaty, Kazakhstan, 28 and 29 August 2003 (A/CONF.202/3), annex I.*

2010,⁸ the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States,⁹ and the Almaty Programme of Action;

23. *Emphasizes* the importance of recognizing and addressing the specific concerns of countries with economies in transition so as to help them to benefit from globalization, with a view to their full integration into the world economy;

24. *Recognizes* that the contribution of non-governmental organizations, civil society, the private sector and other stakeholders in national development efforts, as well as in the promotion of the global partnership for development, should be enhanced;

25. *Requests* the Secretary-General to submit to the General Assembly at its sixty-first session a report on the implementation of the present resolution under the agenda item entitled "Globalization and interdependence".

⁸ A/CONF.191/13, chap. II.

⁹ *Report of the International Meeting to Review the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States, Port Louis, Mauritius, 10-14 January 2005* (United Nations publication, Sales No. E.05.II.A.4 and corrigendum), chap. I, resolution 1, annex II.