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Sixty-eighth session Second Committee Agenda item 21 (c) Globalization and interdependence: development cooperation with middle-income countries

Draft resolution submitted by the Vice-Chair of the Committee, Waruna Sri Dhanapala (Sri Lanka), on the basis of informal consultations on draft resolution A/C.2/68/L.35

## **Development cooperation with middle-income countries**

The General Assembly,

*Recalling* the outcomes of the major United Nations conferences and summits in the economic, social, environmental and related fields,

*Reaffirming* its resolution 67/226 of 21 December 2012, entitled "Quadrennial comprehensive policy review of operational activities for development of the United Nations system",

*Recalling* its resolutions 63/223 of 19 December 2008, 64/208 of 21 December 2009 and 66/212 of 22 December 2011,

*Taking note* of the outcomes of the international conferences on development cooperation with middle-income countries held in Madrid on 1 and 2 March 2007, San Salvador on 3 and 4 October 2007, Windhoek from 4 to 6 August 2008 and San José from 12 to 14 June 2013,

*Taking note also* of the regional conferences on development cooperation with middle-income countries held in Cairo on 11 and 12 March 2008, Minsk on 16 and 17 May 2013 and Amman on 23 May 2013,

*Emphasizing* that middle-income countries must take primary responsibility for their own development, and that their national efforts should be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of middle-income countries, while taking into account their specific national conditions,

*Reaffirming* that the fundamental characteristics of the operational activities for development of the United Nations system should be, inter alia, their universal, voluntary and grant nature, their neutrality and their multilateralism, as well as their





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ability to respond to the development needs of programme countries in a flexible manner, and that the operational activities are carried out for the benefit of programme countries, at the request of those countries and in accordance with their own policies and priorities for development,

Underscoring that there is no "one-size-fits-all" approach to development and that development assistance by the United Nations development system should be able to respond to the varying development needs of programme countries, including the development needs of middle-income countries, and should be aligned with their national development plans and strategies in accordance with its mandates, keeping in mind the needs of least developed countries,

*Noting* that national averages based on criteria such as per capita income do not always reflect the actual particularities and development needs of middle-income countries, and despite notable reductions in poverty, middle-income countries are still home to the majority of the world's people living in poverty, and inequalities remain,

*Recognizing* that high degrees of inequality may contribute to vulnerability in middle-income countries and constrain sustainable development in many of those countries, and that economic growth needs to be sustained, inclusive and equitable,

*Stressing* that middle-income countries continue to face particular challenges, inter alia, related to jobs creation, the diversification and transformation of their economies, access to international markets and, in this regard, that efforts to create a national enabling environment for development should be complemented by a global enabling environment,

*Recognizing* the need to better understand the multidimensional nature of development and poverty, and acknowledging the significant role that the United Nations system has played and should continue to play in this regard,

*Expressing deep concern* about the ongoing adverse impacts, particularly on development, of the world financial and economic crisis, recognizing evidence of an uneven and fragile recovery, cognizant that the global economy, notwithstanding significant efforts that helped contain tail risks, improve financial market conditions and sustain recovery, still remains in a challenging phase with downside risks, including high volatility in global markets, high unemployment, particularly among youth, indebtedness in some countries and widespread fiscal strains that pose challenges for global economic recovery and reflect the need for additional progress towards sustaining and rebalancing global demand, and stressing the need for continuing efforts to address systemic fragilities and imbalances and to reform and strengthen the international financial system while implementing the reforms agreed upon to date,

*Recalling* the resolve of Member States to enhance and strengthen domestic resource mobilization and fiscal space, including, where appropriate, through modernized tax systems, more efficient tax collection, the broadening of the tax base and the effective combating of tax evasion and capital flight, and reiterating that, while each country is responsible for its tax system, it is important to support national efforts in these areas by strengthening technical assistance and enhancing international cooperation and participation in addressing international tax matters,

1. *Takes note* of the report of the Secretary-General;<sup>1</sup>

2. Acknowledges the efforts made and successes achieved by many middleincome countries to eradicate poverty and achieve the internationally agreed development goals, including the Millennium Development Goals, as well as their significant contribution to global and regional development and economic stability;

3. *Expresses concern* that some middle-income countries are highly indebted and face increased challenges to their long-term debt sustainability;

4. Acknowledges that identifying structural gaps can improve the understanding of development needs of developing countries, including middle-income countries;

5. *Requests* the United Nations development system to ensure it addresses the diverse development needs of middle-income countries in a coordinated manner through, inter alia, an accurate assessment of national priorities and needs of these countries, taking into account the use of variables that go beyond per capita income criteria;

6. Also requests the United Nations development system, in particular the funds and programmes in accordance with their respective mandates, and in the context of their respective strategic frameworks and within their existing budgets, to provide better focused support to middle-income countries and to improve coordination and exchange of experiences with other international organizations, international financial institutions and regional organizations in this field, as appropriate;

7. Welcomes the solidarity of middle-income countries with other developing countries, in particular the financial, technical, technology transfer and capacity-building support being provided by middle-income countries, particularly to least developed countries, through South-South cooperation and triangular cooperation, while stressing that South-South cooperation is a complement to, and not a substitute for, North-South cooperation, and in this regard calls upon the United Nations development system to continue its ongoing efforts to mainstream support to South-South cooperation and triangular cooperation;

8. *Encourages* developed countries, and developing countries declaring themselves in a position to do so, to take steps towards the goal of realizing the timely implementation of duty-free and quota-free market access on a lasting basis for all least developed countries, consistent with the Hong Kong Ministerial Declaration;

9. *Recognizes* the importance of the private sector as well as the role of public-private partnerships in meeting the challenges of sustainable development for middle-income countries and other developing countries;

10. Also recognizes that middle-income countries still face significant challenges in their efforts to achieve the internationally agreed development goals, including the Millennium Development Goals, and, in that regard, underlines the importance of international support, through various forms, that is well aligned with national priorities to address the development needs of middle-income countries, including through capacity-building;

<sup>&</sup>lt;sup>1</sup> A/68/265.

11. Acknowledges that official development assistance is still essential for a number of middle-income countries, and that it has a role to play in targeted areas, taking into account the needs and domestic resources of these countries;

12. Also acknowledges that good governance and the rule of law at the national and international levels are essential for sustained economic growth, sustainable development and the eradication of poverty and hunger;

13. *Encourages* giving appropriate consideration to the diverse development challenges of middle-income countries in the elaboration of the post-2015 development agenda;

14. *Requests* the Secretary-General to submit to the General Assembly at its seventieth session a report on the implementation of the present resolution that also looks further into the development challenges of middle-income countries, including through, inter alia, measurements that take into account the multidimensional nature of poverty and development and provides recommendations and proposals to ensure efficient, effective, better focused and better coordinated cooperation with middle-income countries, and decides to include in its provisional agenda, under the item entitled "Globalization and interdependence" the sub-item entitled "Development cooperation with middle-income countries".

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