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Translated from Spanish

Permanent Mission of Panama to the United Nations

MPP NY-322/11

New York, 14 April 2011

The Permanent Mission of the Republic of Panama to the United Nations presents its compliments to the Secretariat of the United Nations and, in response to note verbale DESA-11/0021 of 20 January 2011, has the honour to transmit the Government of Panama's analytical report concerning the matter of global economic governance and development, in virtue of paragraph 3 of resolution 65/94.

The Permanent Mission of the Republic of Panama to the United Nations avails itself of this opportunity to renew to the Secretariat of the United Nations the assurances of its highest consideration.

Ministry of Foreign Affairs Department of International Economic Affairs

Global economic governance and development

Global economic governance and its agenda, which affirms the need to address issues such as energy, climate change, the Millennium Development Goals and the economic situation, requires the unique leadership of the United Nations, as an organization established to solve international problems of a primarily economic nature through international cooperation, as set out in the Charter of the United Nations.

The United Nations must therefore strengthen this supreme authority by developing, proposing and promoting economic and social development policies, among others, using inclusive, balanced and fair approaches, that can be applied to different economies worldwide.

The major international financial institutions and the emergence of various economic forums in parallel, such as the Group of Twenty (G20), India, Brazil and South Africa (IBSA), and Brazil, Russia, India, China and South Africa (BRICS), which seek to unite efforts to deal with the global economic crisis and/or to build the capacities of developed countries — and those very much in the developing stage — must not be seen as obviating the need for the leadership role that the United Nations and its organs and specialized agencies have been called on to play in the interests of the largest possible number.

Panama believes in multilateralism as a mechanism that enables the smallest and least developed countries to bring forward their demands on a par with others; moreover, as a democratic nation, it is convinced that a comprehensive dialogue can lead to consensus on urgent issues such as global economic governance.

Addressing the issue of global economic governance calls for consensus decisions and initiatives, especially since such a range of economic realities exists internationally (industrialized countries versus emerging market countries). That requires the implementation of measures that take into account the current economic situation, which is possible only through the forum of the United Nations, by virtue of its universality.

Furthermore, a single international governance agenda requires inclusive multilateral approaches, especially in the social sphere. The emergence of forums at 11-30473 -3-

smooth functioning without interference, especially from the private sector, but taking into account inflation and productivity.

Furthermore, the Government subsidizes some public services, such as public transport and electricity, which impact heavily on household income. Regarding other goods, such as food, and services, the Government invests public funds to create an environment that fosters productivity.

Of equal importance is social policy, which focuses on the most vulnerable groups, such as the elderly and children, and on poor households in general. In that respect, it ensures a dignified life for the elderly by offering non-contributory pensions and seeks to provide training and professional capacity-building for young people, not only by seeking to improve the quality of education but also by reducing drop-out rates, as it views education as the best way to overcome poverty.

The Government continues to provide economic support and incentives. It is bringing its policies into line with Act No. 32 of 2009 on social and fiscal responsibility, which establishes limits on the fiscal deficit and public debt.

In view of the above and given the importance of restructuring the debate on global economic governance, Panama strongly supports the initiative of the President of the General Assembly, as it is convinced of the need to help generate a growing dialogue, led by the United Nations and with universal participation, in order to generate relevant proposals with a broad consensus.

