

Inputs from Chile to the Secretary-General's report on the "United Nations in global economic governance" [unofficial translation from Spanish]

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The Permanent Mission of Chile to the United Nations presents its compliments to the Department of Economic and Social Affairs of the United Nations, Financing for Development Office, and has the honor to refer to note DESA No. 16/00666 of 24 June 2016, requesting the views of the Governments of Member States to be taken into account in preparing the report of the Secretary-General in accordance with paragraph 20 of General Assembly resolution 67/289, entitled "The United Nations in global economic governance".

Comments:

"Chile is convinced that monitoring the implementation of the 2030 Agenda for Sustainable Development is a multidimensional global task that involves all of the systems, including financial international institutions, such as the World Bank and the International Monetary Fund."

The guiding principle of International financial institutions is to support the growth of developing countries. Growth should be understood as part of sustainable development.

By 2030, most countries will be middle-income. This group of countries is growing at the multilateral level that needs to be reinforced and improved. There is consensus that the criteria of per capita income should not constitute the main parameter for measuring the state of economic development and for graduation of countries into the middle-income group.

In line with the challenges posed by the follow-up and the implementation of the 2030 Agenda there is an urgent need to establish a measure for middle-income countries and to measure poverty from a multidimensional perspective. Per capita income does not reflect the large pockets of poverty and the inequalities that are generally concentrated in middle-income countries.

The end of the cycle of high prices of raw material, whose growth has slowed in the vast majority of the developing countries since 2010, has dramatically affected the progress in achieving the sustainable development goals and it has put the social, economic and environmental achievements at risk.

Some international organizations have already started developing some comprehensive indicators, such as, the human development index by the United Nations Development Programme (UNDP) and the structural-gap approach by the Economic Commission for Latin America and the Caribbean (ECLAC). The international community should join enthusiastically in these endeavors.

Chile is confident that the international financial institutions, which are still working with per capita income as the main or only parameter to measure and eventually graduate the middle-income countries, will eventually adopt a multidimensional and integrated approach, which is required by the follow-up and implementation of the 2030 Agenda for Sustainable Development.

During this transition to the above approach, a freeze in the graduation of middle-income countries is advisable, particularly in organizations and institutions that still use per capita income as the indicator for graduation.

The Permanent Mission of Chile to the United Nations avails itself of this opportunity to renew to the Department of Economic and Social Affairs of the United Nations, Financing for Development Office the assurances of its highest consideration.

New York, 25 July 2016.