



**Meeting of the Open Working Group on Sustainable Development Goals
New York, 25 November 2013**

"Sustained and inclusive economic growth, macroeconomic policy questions (including international trade, international financial system and external debt sustainability), infrastructure development and industrialization"

Statement on behalf of the European Union and its Member States

delivered by

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Mr Chairman,

I have the honour to speak on behalf of the European Union and its Member States.

At the outset we would like to thank the distinguished panellists for the very useful presentations we heard this morning.

The EU and its MS are fully committed to eradicate poverty and to ensure a sustainable future for all, based on a coherent and universal approach that integrate social, economic and environmental aspects.

While economic progress has brought widespread improvements in living standards for many, benefits of economic growth have not been always adequately shared. Poverty still remains a pressing global challenge. Inequalities, unemployment, precarious employment, lack of social protection, access to human development services, access to financial services and low quality of well-being are still of universal concern.

Long-term poverty reduction and shared prosperity for all requires sustainable inclusive economic growth. Economic growth is necessary but not sufficient to reduce poverty and inequality and to improve living standards. Patterns and quality of growth matter. In order to fully transform itself into prosperity, poverty and inequality reduction, growth needs to be inclusive, sustained and sustainable, and have a sustained positive impact on the poor. Growth creates jobs, and creating more productive and decent jobs is key to increasing future prosperity for all and eradicating extreme poverty.

Natural resources, including biodiversity, have been used unsustainably and in some cases depleted. This has contributed to environmental degradation and climate change, scarcity, shortages and price volatility of resources as well as sub-optimal productivity. It is also at the origin of resource conflicts. It undermines the very basis upon which our livelihoods, well-being and

prosperity rely, reduces our capacity to resilience and, ultimately is detrimental to growth. These pressures are further fuelled by current unsustainable patterns of consumption and production.

We need to recognise that profound transformation is needed to address the above challenges.

For growth to be sustained, it needs to be inclusive and sustainable, and all countries should create appropriate enabling conditions.

Stimulating transition towards an inclusive green economy is essential to drive change to achieve sustainable development and poverty eradication. Our aim should be long term, sustainable and inclusive economic growth that better reflects environmental and social needs as well as the structural transformation of the economy across a range of sectors along these paths.

Sound macroeconomic policy, sustainable debt levels which take into account investment financing needs as well as strengthened financial integration provide favourable conditions for investment, trade, export and the mobilization of capital for investment, all of which are important drivers for growth. Openness to trade and access to capital are key elements of successful economic strategies. Investment as well as trade should advance human rights and social development and take into account planetary boundaries.

Sustainable economic growth and trade are the key drivers of national and international prosperity and can contribute to global security. This requires an inclusive and open multilateral trading system which enables all countries to engage in global markets.

Optimising the impact of trade on sustainable development and poverty reduction depends on good governance and adequate domestic policies including adequate domestic reforms.

In the above context, the following will need to be addressed:

Promotion of full employment, productive jobs and decent work with an emphasis on youth, women, reduction of inequalities as well as access to financial services and adequate social protection and appropriate training;

Promotion of enabling environments for structural transformation, including effective regulatory and fiscal reforms including the phasing out of harmful subsidies, especially fossil fuel subsidies, as well as access to finance and open and dynamic markets,

Open and effective institutions that reduce the costs and risk of investment, doing business, reward entrepreneurship and innovation, and create vibrant and competitive markets, and that provide opportunities to join global and regional value chains.

There must be investment in infrastructure. Infrastructure improves access to markets and economic services, stimulates enterprise opportunities, increases productivity and generates employment.

Appropriate policies to strengthen competitiveness of producers including small entrepreneurs and to minimize adverse effects of adjustment, preservation and strengthening of an inclusive and open multilateral trading system allowing countries to engage in open markets and delivering the development dimension of the Doha Development Agenda;

Enhancing improved financial regulation, financial governance and transparency, including tax systems, and combating illicit financial flows where building buffers will strengthen resilience to future shocks.

Changing unsustainable patterns of consumption and production globally to enable for sustainable growth and sustainable economic transformation, through provision of appropriate economic incentives which take into account the true costs of all resources including ecosystems, as well as reuse, recycling and resource savings, and the promotion of corporate sustainability reporting. Moreover, we should encourage sustainable public-private partnerships and transition towards green procurement;

Increase investment, in a range of sectors, including clean energy, industrial production, education, manufacturing, services and agriculture, transport and infrastructure, to provide foundations for sustainable and inclusive growth and sustainable structural transformation.

Thank you.