



**FIFTH SESSION OF THE GENERAL ASSEMBLY OPEN WORKING GROUP ON  
SUSTAINABLE DEVELOPMENT GOALS**

**25-27 November 2013**

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

**Key Notes on behalf of CROATIA and BULGARIA**

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Mr. Co-Chair,

Ladies and gentlemen,

I have the honour to speak on behalf of Croatia and Bulgaria.

Beyond any doubts economic growth is among critical enablers for poverty alleviation and wealth creation. What deserves our attention here is the question of quality of growth; namely, growth that reduces inequalities by distributing opportunities and gains across society; growth that generates employment and that is driven by inclusiveness, accountable public institutions and respect for human rights; and growth that is economically, socially and environmentally sustainable. To achieve these goals a new growth patterns are needed based on transformative shift in developmental and macroeconomic policies objectives at all levels. Economic diversification, smart policies and value addition are fundamental.

The challenges we are facing are additionally generated by the global economic slowdown, still weak and vulnerable recovery and structural issues, which highlight systemic fragilities and inequalities, restrict growth, job creation and development.

Several key aspects of economic growth deserve our particular attention:

- Focus should be given on sustainable development models which properly balance between equality and efficiency; which renew commitments to social inclusion and enhance human capital basis development.
- Coherent economic policies should be implemented at national levels, supportive to employment and private sector development, accompanied by public investments, as well as by proper fiscal policies.
- Unsustainable public debt is a concern in both developed and developing economies. Improvements of debt management, increasing predictability and

timely debt restructuring, supported by sound public finances and mobilization of domestic and international resources, are important elements for underpinning growth and economic prosperity.

- Trade and its equitably shared economic benefits among and within countries that encourage sustainable development, holds a critical role in stimulating economic growth and prosperity. The challenge is to reinvigorate a global partnership for development in trade, based on universal, rules-based, open and nondiscriminatory multilateral trading system.
- Economic analyses in the last decades have demonstrated that economic transformation through promotion of industrialization has generated significant growth in countries which have made such a policy as their own developmental strategy. Such strategies strongly contribute to poverty alleviation and have catalytic impact on overall national economic activity including job creation. At the same time, we have to move towards sustainable industrialization, focused on cleaner production and resource efficiency, which might additionally contribute to competitiveness and sustainable growth.
- Greater interdependence among countries requires changes in international economic governance. Domestic policy measures needs supportive global and regional response, as well as international financial and trade policy coherence. Adequate global response is necessary to manage the debt challenges in a more comprehensive, predictable and preventive way; to strengthen international financial architecture; to foster multilateral trading system in particular by bringing the WTO Doha Round to a balanced but still ambitious conclusion; and to support the weakest members of the global community in general. It is of utmost importance to foster global mechanisms for technology transfer and access, accompanied by development of absorptive capacities, notably human capital – particularly women, and infrastructure development supportive to productive sectors.

Croatia and Bulgaria share these views.

Our next question here is how to transpose this shared vision into the SDGs structure and how to transform these challenges into opportunities?

We support the inclusion of a stand-alone goal that encapsulates sustained economic growth with strong reference on sustainability, social inclusion and equity; and environmental concerns. Its targets should be crafted and quantified around previously mentioned aspects which serve as drivers for economic growth and its structural transformation. At the same time, the need for coherent development agenda should be taken into account; thus, overlaps with other goals and targets should be avoided.

Croatia and Bulgaria reiterate their commitment to engage constructively during the upcoming phase of work of this Group, on elaboration of structure of the future goal on economic growth.

Thank you.