



**PERMANENT MISSION
OF THE PRINCIPALITY OF LIECHTENSTEIN
TO THE UNITED NATIONS
NEW YORK**

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The Permanent Mission of the Principality of Liechtenstein to the United Nations presents its compliments to the United Nations Department of Economic and Social Affairs, Financing for Development Office, and, with regard to its note DESA-11/0021, has the honor to transmit the view of the Principality of Liechtenstein on the issue of global economic governance and development.

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

New York, 29 April 2011



Department of Economic and Social Affairs
Financing for Development Office
Two United Nations Plaza
Room DC2-2170
New York, N.Y. 10017

Enclosure

Liechtenstein Input for SG report on Global Economic Governance and Development

2011-4-29

The global governance system must be transparent, inclusive and efficient. As a member of the Global Governance Group (3G), Liechtenstein advocates the central role of the United Nations in that system (as reflected in A/64/706). The principle of the sovereign equality of all states enshrined in the Charter of the United Nations provides for the legitimacy that is necessary to ensure global implementation of decisions with global impact. Against this background, the 3G has consistently and successfully called for a stronger role of the United Nations in informal decision making fora that have taken up global policy coordination and governance. However, intergovernmental negotiations at the United Nations have not always lived up to the expectation of the international community to ensure timely and effective governance, in particular in the field of global economic governance. On several past occasions, the political momentum needed for decisive contributions to address global economic and financial challenges in a timely and adequate manner could not be generated at the United Nations. Informal groupings like the G20 and the G8 have reacted to emergency situations such as the global financial and economic crises in 2008/09 where political stalemate has reduced the United Nations' ability to act.

Liechtenstein welcomes recent developments at the United Nations intended to strengthen the role of the United Nations in the system of global economic governance, in particular the relevant initiatives by the President of the 65th General Assembly, as well as the present report as part of the implementation of General Assembly resolution 65/94. The current momentum should be used to make a serious effort at reforming structural shortcomings and deficiencies within the United Nations system with a view to equipping the United Nations with tools and structures more conducive to meaningful contributions to global economic governance. One way to strengthen the role of the United Nations in global economic governance could consist in a more systematic approach to assessing medium and long term risks of the current global economic and financial architecture with a view to reducing the vulnerability of activities of the international community to such risks, in particular in the field of development. Lessons learned from other fields of United Nations activities, for example in climate change, show that the United Nations can add value to discussions about structural policy deficiencies in addressing medium and long term risks.

The central role of the United Nations in coordinating global development policy and activities can be further strengthened by including initiatives from different actors and stakeholders outside the United Nations, including from informal groupings like the G20 and the G8 and from the private sector. Such activities should be actively encouraged and promoted. In this regard, Liechtenstein has noted with interest development related initiatives launched in the framework of the G20 and sees a potential for these initiatives to contribute to the achievement of development goals agreed within the United Nations framework. In order to ensure optimal impact such initiatives should feed into and complement relevant United Nations activities and be covered by the wider United Nations development policy coordination framework. In this regard, it remains clear that the United Nations system maintains its responsibility towards its constituency to ensure transparency and conformity with the relevant mandates.