

**Intervention by H.E. E. Courtenay Rattray,
Permanent Representative of Jamaica to the U.N., at the
ECOSOC Dialogue on the Longer-term Positioning of the UN Development
System in the Context of the 2030 Agenda for Sustainable Development
Delivering the 2030 Agenda: The Role of the UN Development System in Middle-
Income Countries
26 May 2016, ECOSOC Chamber**

Mr. Moderator,

Jamaica welcomes the opportunity to participate in this dialogue on the role of the UN development system in Middle-Income Countries, as we prepare to implement the 2030 Agenda for Sustainable Development.

Although the Middle Income Country designation is indicative of the socio-economic progress made by a country, it can serve to obfuscate persistent development challenges. Graduation relates to a situation whereby countries are deemed to have crossed the threshold from Least Developed Country to Middle Income status. This means that they are no longer eligible for low-income trade preferences, concessional financing, or ODA, which has proven especially detrimental to the majority of CARICOM countries. All but one of the CARICOM Member States are designated as MICs, although several are highly indebted with limited fiscal space to pursue the necessary social, economic and environmental policies and programmes required to secure our sustainable development.

For such countries, our debt servicing obligations have resulted in a decline in resources devoted to programmes meant to address the needs of the most vulnerable in society - the young, elderly and the poor. This, in turn, has led to an increase in the degree of inequality and further entrenched poverty at the national level. In the case of Jamaica, it is important to note that while the Human Development Report classifies us

as having high Human Development, income inequality still represents a major obstacle, as reflected in the fact that in 2013, Jamaica had a Gini coefficient of 45.5.

In the face of such challenges, CARICOM countries have been calling for a review of the graduation criteria used by IFIs. We continue to argue that statistical measures of development, such as GDP per capita, should be supplemented by data that take into account the structural gaps that retard the development of MICs, such as levels of vulnerability, poverty, saving and investment, productivity and innovation, as well as public expenditures on health, education and infrastructure.

In this regard, the UNDS' involvement in discussions on the development of vulnerability and resilience indices and how such measures could be used alongside per capita GDP to provide a more accurate statement of the development status and prospects of MICs is of paramount importance.

SIDS with MIC status also face particular challenges of integrating into the multilateral trading system, particularly in the wake of the erosion of preferential market access arrangements and the liberalisation of trade. In the case of Caribbean MICs, there are newly emergent extra-regional policies that negatively affect our region.

One such relates to recent decisions taken by major international banks to discontinue correspondent banking relationships with domestic banks in the Caribbean. This has been done in an effort to 'de-risk' the perceived threat posed by their off-shore client portfolios, in connection with penalties that may arise for breaches of anti-money laundering and terrorist financing regulations. Needless to say, these decisions can result in a shock of seismic proportions to the economies of our countries.

This aptly demonstrates why it is extremely important for small, open and fragile economies to receive external support for their efforts to achieve sustainable development. As such, we are particularly appreciative of the continued presence and support of United Nations Country Teams. The commitment shown and support given in

bilateral and multilateral fora for the Caribbean region's attempts to achieve debt sustainability and economic growth is welcome.

My delegation is of the view, however, that there is a need to shift the focus of UN development support towards the provision of more upstream policy advice. The complexity of the new development agenda requires significantly higher levels of technical policy advice based on enhanced analytical capacity for supporting integrated, multi-sectoral and multi-stakeholder policy formulation. While support of this type has traditionally been sourced externally, the presence of more specialised technical expertise within UNCTs will be required to render real-time high-level policy advice to complement national expertise and supplement domestic capacities.

I thank you.