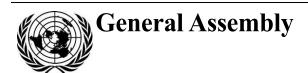
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Globalization and interdependence: development cooperation with middle-income countries

Note verbale dated 14 December 2021 from the Permanent Mission of Guatemala to the United Nations addressed to the Secretary-General

The Permanent Mission of Guatemala to the United Nations, in its capacity as Chair of the Like-Minded Group of Countries Supporters of Middle-Income Countries for 2021, has the honour to transmit the declaration adopted by the Group at its sixth annual ministerial meeting, held virtually on 2 December 2021 (see annex).

In that regard, the Permanent Mission of Guatemala kindly requests that the present note verbale and its annex be circulated as a document of the General Assembly, under agenda item 22 (c).





Annex to the note verbale dated 14 December 2021 from the Permanent Mission of Guatemala to the United Nations addressed to the Secretary-General

Declaration of the sixth ministerial meeting of the Like-Minded Group of Countries Supporters of Middle-Income Countries

- 1. We, the Ministers and high-level representatives of the countries constituting the Like-Minded Group of Supporters of Middle-Income Countries, Armenia, Belarus, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Lebanon, Mexico, Morocco, Panama, Peru, the Philippines, having met on 2 December, 2021, at the Sixth Ministerial meeting of the Group during the 76th session of the United Nations General Assembly;
- 2. Recall and reaffirm our previous Declarations signed on 23 September 2016, 21 September 2017, 26 September 2018, 24 September 2019, and 2 October 2020, respectively;
- 3. Express our solidarity with all countries during the ongoing Covid-19 pandemic; and salute healthcare professionals, humanitarian workers, medical researchers and other front-liners around the world who, on a daily basis, are dedicating their time and risking their own lives to help and save others from COVID-19;
- 4. Reaffirm our commitment with the implementation of the 2030 Agenda for Sustainable Development, the Addis Ababa Action Agenda, the Paris Agreement, the Sendai Framework for Disaster Risk Reduction, the New Urban Agenda and other relevant multilateral outcomes;
- 5. Also reaffirm our commitment with the implementation of the General Assembly resolution 72/279 of 21 May 2018 on the repositioning of the United Nations development system and General Assembly Resolution 75/233 of 21 December 2020 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system; welcome the ongoing efforts of the Secretary General on them, noting his proposals contained in his report "Our Common Agenda", and acknowledge the progress achieved thus far;
- 6. Underline that the implementation of the 2030 Agenda for Sustainable Development will remain out of reach if middle-income countries are left behind, therefore unable to achieve the full spectrum of the Sustainable Development Goals;
- 7. Recall that the 2030 Agenda for Sustainable Development recognizes, inter alia, that middle-income countries still face significant challenges to accomplish sustainable development and that, in order to ensure that achievements made to date are sustained, efforts to address ongoing challenges should be strengthened through the exchange of experiences, improved coordination and better and focused support of the United Nations development system, the international financial institutions, regional organizations and other stakeholders;

MICs particular gaps and challenges

8. Reaffirm that despite sharing the same categorization, the homogenous designation "Middle-Income Country" based solely on per capita income, does not reflect the myriad of their realities and vulnerabilities, oversimplifies the complexities of the countries it encompasses and, therefore, stress the urgency of a reconceptualization through a broader analysis of the systemic approach to the categorizing developing countries, in order to reach substantial and enduring results in sustainable development worldwide;

2/7 22-00108

- 9. Note that identifying structural gaps and vulnerabilities can improve the understanding of the development needs of middle-income countries, helping to determine actions capable of addressing those gaps with greater efficiency and precision;
- 10. Further underline that economic growth is not equivalent to sustainable development gains and that, at all levels of per capita income, particularly of Gross National Income, middle-income countries continue to face serious challenges in relation to poverty eradication, social and economic inequalities, external debt, environmental vulnerabilities decent and formal job creation, diversification of the economy, access to international markets, access to financial and banking systems, health systems, reducing hunger, forced displacement, the empowerment of women, addressing climate change and disaster risk reduction, reversing the loss of biodiversity and preventing desertification, land degradation and drought, fostering sustainable infrastructure, promoting science, technology and innovation, as well as sharing technologies and experiences, among others,-and that an improvement in macroeconomic indicators does not necessarily reflect advancements in population's well-being, including, but not limited to, housing and basic services, food security, access to quality and inclusive education and health services given that high inequality, or even a rise in inequality, remains pervasive in middle-income countries, even in those countries with high economic growth;
- 11. Recognize that further efforts are necessary for achieving poverty eradication, decent job creation, reduction of inequalities, the empowerment of all women and girls, conservation, restoration addressing climate change and disaster risk reduction, fostering sustainable infrastructure, promoting science, technology and innovation, access to decent and formal employment, as well as sharing technologies and experiences, among other crucial aspects of sustainable development;
- 12. Recognize the need to focus on the importance of micro-, small and mediumsized enterprises in achieving the Sustainable Development Goals, in particular in promoting innovation, creativity and decent work for all and recognizing also the importance of encouraging the formalization, participation and growth of micro-, small and medium-sized enterprises in international, regional and national markets, including through access for all to capacity-building and financial services, such as affordable microfinance and credit;
- 13. Recognize the positive contribution of migrants for inclusive growth and sustainable development and that international migration is a multidimensional reality of major relevance for the development of countries of origin, transit and destination, which requires coherent and comprehensive responses. We will cooperate internationally to ensure safe, orderly and regular migration involving full respect for human rights and the humane treatment of migrants, regardless of their migration status;

Covid-19 pandemic and MICs

- 14. Recall the adoption of the GA resolutions on "Global Solidarity to fight the coronavirus disease COVID-19" (A/RES/74/270) and "International Cooperation to ensure global access to medicines, vaccines, and medical equipment to face COVID-19" (A/RES/74/274) as well as the "Political Declaration on Equitable Global Access to COVID-19 Vaccines";
- 15. Emphasize the need to recognize the COVID-19 vaccine as a global public good for health by ensuring affordable, equitable and fair access to vaccines for all, without any kind of discrimination. In this regard, we support the Secretary General's call for vaccine equity and call upon all States and relevant stakeholders to step up coordinated and concerted efforts for fair and equitable distribution of vaccines in middle income countries, particularly through COVAX facility and the Access to COVID-19 Tools (ACT) Accelerator for promoting vaccine accessibility, including

22-00108

- on the basis of the WHO allocation framework, for fair access and equitable allocation of COVID-19 health products;
- 16. Stress that the severe impacts of the pandemic highlight the interconnectedness of global development challenges and that, middle-income countries continue to face diverse challenges such as weak or severely impacted health systems, high levels of indebtedness and limited fiscal space, and require international support and solidarity, equal access to medical supplies, medicines and COVID-19 vaccines, and to be considered eligible for humanitarian assistance, funds and recovery programs from the COVID-19 pandemic;
- 17. Recalls the SG Report on Debt and COVID-19 that states that many middle-income countries are highly vulnerable to a debt crisis, lost market access and capital outflows. We support the call on the international financial institutions, the multilateral development banks, the private sector, the UN, and all relevant actors for debt sustainability that is not based on levels of income but on vulnerability;
- 18. Recognize the steps taken by the Group of 20 to provide a time-bound suspension of debt service payments for the poorest countries and to implement the Debt Service Suspension Initiative and the Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative, and recall the need for all official bilateral creditors to implement these initiatives fully and in a transparent, timely and effective manner, while noting that more needs to be done, including to respond to the needs of countries not covered by these initiatives, including middle-income countries;
- 19. In this regard, they reaffirm the growing urgency of dealing not only with liquidity but also solvency risks, and welcomes the International Monetary Fund's special drawing rights (SDRs) allocation of the equivalent of 650 billion dollars of 23 August 2021 to meet the long-term global need to supplement reserve assets, and encourage countries with strong external positions to seek options for voluntary channeling of special drawing rights, in accordance with national laws and regulations, and to this end appreciate the Fund's efforts to seek further viable options for the voluntary channeling of special drawing rights to developing countries in need, including middle-income countries;
- 20. Also note that COVID-19 has resulted in unpredictable flows of remittances causing hardship for the 800 million people in those low-and-middle-income countries that heavily depend on them. Migrants often face specific challenges during the COVID-19 pandemic due to a variety of factors, including, among others, inadequate living and working conditions, limited local knowledge and networks, xenophobia, discrimination, and lack of access to health and related services;
- 21. Recognize that the pandemic has disproportionately affected people of all ages with preexisting medical conditions, and older persons, who are at a significantly higher risk of mortality, and showed a higher mortality rate in men affected by COVID-19 compared with women;
- 22. Also recognize the multi-faceted impact of the COVID-19 pandemic on women, nearly 60 percent of whom work in the informal economy around the world, are more likely to earn and save less, provide most unpaid care work, and have greater risk of unemployment, lack of social protection and falling into poverty;
- 23. Welcome the COVID-19 Response and Recovery Fund that supports middle-income countries (MICs) to respond to the crisis and recover from its socio-economic shocks;

United Nations Development System

24. Welcome with appreciation the calls of the Secretary-General for the United Nations Development System to evolve its support to middle-income countries in all their diversity, including in efforts to advance the multidimensional measurements of sustainable development;

4/7

- 25. Stress that efforts to create an enabling environment for development must be complemented by a global enabling environment and urge the United Nations to draw up a comprehensive UN system-wide and long-term strategy aimed at facilitating sustainable development cooperation and coordinated support towards MICs as well as a more adequate and refined classification for this category of countries, going beyond the per capita income criteria. Express our readiness to closely cooperate with the relevant UN agencies to this end;
- 26. Reiterate our call to the United Nations Sustainable Development Group for an update on the development of a joint framework of collaboration with multilateral development banks to improve regional and country-level synergies, with specific attention to the multidimensional needs of middle-income countries, as set out in the Secretary General's road map for financing the 2030 Agenda for sustainable development 2019–2021;
- 27. Further reiterate our readiness to actively engage with the UN system, particularly with the UN Chief Economist and designated focal person for middle-income countries as well as with the UN Sustainable Development Group, to advance the interests of middle-income countries which are major engines of global growth and development, contributing to 1/3rd of global GDP and representing 75% of the world's population and 62% of the world's poor;
- 28. Reiterate our request for the Secretary General to formulate an analysis report on the impact of COVID-19 on middle-income countries, with policy recommendations for the UN system;
- 29. Underline that the UN Development System also has an important role to play in supporting graduation processes and smooth transitions to ensure that graduating and recently graduated countries do not face disruptions in their development plans and programs, including access to financing in acceptable terms. Most graduated and graduating countries, despite an improved per capita income, face structural and persistent vulnerabilities as well as other structural and institutional barriers. We draw attention to the problem that, as per capita income rises above certain thresholds, access to ODA and external public finance often decreases faster than can be compensated for by enhanced economic, commercial and fiscal strategies;
- 30. Welcome the call on the Secretary General to conduct a mapping exercise that will provide a detailed overview of the current support available to middle-income countries, including relevant indexes, frameworks, strategies and tools, within existing resources, in order to consider developing a comprehensive system-wide response plan, where appropriate, aimed at better addressing the multidimensional nature of sustainable development and facilitating sustainable development cooperation and coordinated and inclusive support to middle-income countries based on their specific challenges and diverse needs, and looked forward to the finalization of the ongoing work on the multidimensional vulnerability index;

Financing for Development

- 31. Encourage multilateral development banks, international financial institutions, private sector and bilateral donors to include multidimensional eligibility criteria in their financial policies, for more sequenced, phased and gradual assistance that best addresses the multidimensional nature of sustainable development and opportunities and challenges presented by the diverse realities of middle- income countries;
- 32. Urge for decisive steps and concrete action taken on the commitments of the Addis Ababa Action Agenda, which calls the United Nations to work with international financial institutions in the development of transparent measures to

22-00108 5/7

- assess sustainable development beyond per capita income, recognizing poverty and inequalities in all its forms and dimensions and structural gaps;
- 33. Invite the international community and all relevant stakeholders, without prejudice to ongoing support, to cooperate and mobilize resources and expertise, including through financial and in-kind assistance, as well as direct aid to host countries, refugee populations, and countries of origin of refugees, with a view to enhancing the capacity of and reducing the heavy burden borne by countries and communities hosting refugees and displaced persons in accordance with the purposes and principles of the Charter of the United Nations while fully respecting the humanitarian principles of humanity, independence, neutrality and impartiality for humanitarian action.
- 34. Recall the General Assembly resolution on Promoting investments for sustainable development (A/RES/75/207) which called upon developing partners to continue to support efforts to strengthen policy frameworks to incentivize finance for productive investment, including building capacity to access available financing, taking into account the specific challenges faced by middle-income countries;
- 35. Take note of the UN Task Force Report on Digital Task Force on Digital Financing of the Sustainable Development Goals which recommends ways to harness digitalization in accelerating financing of the SDGs;
- 36. Call for the strengthening of the ongoing work of the UNDP 91 accelerator labs covering 115 mostly middle-income countries, and the digital strategy which aims to help Governments and communities leverage technology and innovation to deliver results in the era of digital transformation and the fourth industrial revolution;

South-south and Triangular Cooperation

- 37. Emphasize the importance of knowledge-sharing platforms and the pivotal role of South-South and Triangular Cooperation for Middle-Income countries; and reaffirm that international development cooperation is still a powerful tool for complementing middle-income countries' efforts to mobilize public resources domestically to achieve sustainable development as well as to support and improve data collection and analysis of high-quality disaggregated data to better understand the multidimensional aspects of poverty, and for smart and transparent decision-making; Reaffirm that South-South and Triangular cooperation are important modalities of international cooperation for development as a complement to, not a substitute for, North-South cooperation and, as such, commit to strengthening Triangular Cooperation as a means of bringing relevant experience and expertise to bear in international development cooperation;
- 38. Recognize the solidarity of middle-income countries, reflected through the financial, technical, technology transfer and capacity-building support provided to other developing countries through knowledge-sharing platforms as well as through their dual role in South-South and Triangular Cooperation;

MICs Group at the UN

39. Welcomes the convening of the High-Level Meeting on Middle-Income Countries on 17 June and 2 July 2021 by the President of the seventy-fifth session of the General Assembly to discuss the gaps and challenges of middle-income countries in the implementation of the 2030 Agenda for Sustainable Development, with a focus on the economic dimension of sustainable development. Further welcomes the key messages emanating from the high-level meeting, contained in the Summary of the President of the General Assembly; Call to convene such meetings of the General Assembly on Middle-Income Countries on a regular basis;

6/7

- 40. Appreciate the submission by the Secretary-General to the General Assembly at its seventy-sixth session of an action-oriented report on the implementation of A/RES/74/231, including a comprehensive and in-depth analysis of the particular challenges faced by middle-income countries, along with a concrete set of recommendations to promote and enhance their efforts in the achievement of the economic dimension of sustainable development, while recognizing that particular challenges in the environmental and social dimensions will require further analysis in subsequent reports;
- 41. Renew our commitments to the Group as expressed in the terms of reference and reiterate our determination to support the advancement of our agenda during the 76th session of the General Assembly and invite other Members States to join this Like-Minded Group; and
- 42. Decide to submit the present Declaration as an official document of the 76th session of the General Assembly.

New York, 2 December 2021

22-00108