***Delegation from Represented by***

**The Former Yugoslav Republic of Macedonia University of Heidelberg**

***Position Paper for the General Assembly Second Committee***

The *Former Yugoslav Republic of Macedonia* (Macedonia) is committed to the General Assembly Second Committee's goals of development, poverty eradication, protection of human rights and promotion of the rule of law ultimately leading to strengthening the United Nations and, therefore, stresses the importance of the following issues: I. Implementing the Addis Ababa Action Agenda; II. Harnessing the Green Economy to Eradicate Poverty; and III. Designing Effective Policies and Institutions to Reduce Inequalities.

**I. Implementing the Addis Ababa Action Agenda**

Macedonia is highly committed to reach all *Sustainable Development Goals* (SDGs) by 2030 and therefore understands the necessity of sufficient financing. Macedonia actively maintains the implementation of the *Addis Ababa Action Agenda* (AAAA) to address the manifold financial needs associated with sustainable development.

**Having achieved** great strides in improving its economy over the past decade and reaching many of the *Millennium Development Goals* (MDGs) through economic reforms, Macedonia continues to pursue its intentions on a national and international level through the realignment of financial flows with public goals. In the past, Macedonia emphasized international trade as an engine for development (para. 79 et seqq. AAAA) when creating incentives for foreign direct investments through public investments in infrastructure and, therefore, also strengthened domestic and international private business and finance. As a member of various trade agreements, such as the *Central European Free Trade Agreement* (CEFTA), conducting business in Macedonia is appealing to foreign investors, which has led to economic growth in the country. Macedonia agrees that international trade and investment agreements are a leading factor to secure direct foreign investment, thus guaranteeing economic sustainability, and is willing to cooperate on an international level by exchanging information and expertise. Many countries are not able to accomplish trade liberalization by themselves, so Macedonia stresses the importance of international trade agreements. Macedonia also sees the need for trade finance to be improved. Therefore, more financial support and technical assistance from more developed Member States will be necessary. Furthermore, **we call** upon the *World Bank* and the *International Monetary Fund* (IMF) to support these intentions with financial measures and to offer guidance.

**Recognizing** the importance of the fight against illicit financial flows, Macedonia sees the need for the strengthening of domestic public resources through international cooperation. As a country that has had difficulties combatting corruption in the past, Macedonia is convinced that an economy free from corruption is a crucial stepping stone for achieving transparent and accountable governance, economic and social development and environmental protection in every Member State. In awareness of A/RES/58/4, the *United Nations Declaration against Corruptio*n and para. 23 et seqq. AAAA Macedonia has been able to tackle their corruption problems with a new legal framework. Macedonia takes note of the work and the report of the *High-level Panel on Illicit Financial Flows from Africa*. We call for the establishment of a similar organization for the Balkan and Eastern European region that covers not only the illicit financial flows from the region, but also their inflow. Seeing the recent developments in Romania, Macedonia recognizes that the problem of corruption is prevalent especially in this region. Therefore, we need a regional organization that can tackle the specific problems of the Balkan and Eastern European states. Only then can we develop an accurate assessment of the volumes and sources of illicit payments and gain an understanding of how these occur. This will give us a way to recommend realistic and pragmatic actions to achieve satisfactory results in the region which highly suffers from corruption. Macedonia invites the international community to work together to fight illicit financial flows **on a regional basis**.

Macedonia can be a strong partner on an international level. We encourage all Member States to join our country's ambitions of **international cooperation** in the fields of international trade as an engine for sustainable development and the fight against corruption. **Together** we can build a strong financial foundation to support the implementation of the SDGs.

**II. Harnessing the Green Economy to Eradicate Poverty**

As the first SDG, ending poverty is the most important goal the global community should strive for. Macedonia recognizes the key findings of *United Nations Environmental Programme*’s (UNEP) 2011 Green Economy Report and, thus, believes in the necessity of efficient ways to promote a green economy to eradicate poverty. Agriculture plays a **major role** in Macedonia, employing one third of the country’s labor-force and contributing to 10 % of the country’s GDP. As a country with a high unemployment rate but suitable surroundings, agriculture remains a growing industry. At the same time, we are aware that this sector is severely threatened by climate change due to water shortage, temperature rise and natural catastrophes. Macedonia is therefore convinced that only sustainable, green agriculture can ensure the long-term stability of an economy and its food supply, which are prerequisites for a poverty-free society. **In awareness** of the *World Bank*’s 2014 Green Growth Country Assessment for Macedonia, we have been able to evolve our green agriculture and have achieved significant progress. Public support of organic farming and the cultivated surface for green agriculture rose rapidly during the last years.

Such results are not and should not be limited only to our country. There is adequate proof of the positive effects of green agriculture regarding water and soil management, the protection of biodiversity and job opportunities in rural areas. The protection of natural resources, and the preservation and enhancement of natural capital, is thereby of **utmost importance.** They are limited and vital for agricultural and economic progress and necessary for ensuring the stability of all crucial elements of a green economy, including soil fertility and its value to crop production and local microclimates for safe habitats. Natural capital such as forests, lakes, wetlands and river basins are essential in order to reach a long-lasting solution for poverty reduction through green agriculture. Macedonia calls upon the international community to not only invest in the green economy but also give incentives for the private-sector to support its development. Public investment such as infrastructure projects, green subsidies and sustainable public procurement can leverage private investment when occurring alongside market-based instruments, such as taxes and tradable permits.

**We therefore stress** the significance of strengthening organic farming to battle unemployment, to elevate exports and income and to guarantee the sustainable growth of the economy, thereby reducing poverty. We believe that Member States should take further action in progressing their organic agriculture and are convinced that we should find a united approach. Particularly in undeveloped countries, where agriculture already constitutes a major part of the economy, we see the opportunity to expand organic farming in order to create more jobs and eradicate poverty as a result. The most favorable solution would be a sufficient green farming program with adequate funding. Macedonia **is convinced** that the international community needs to further enlarge the support for organic farming and, therefore, demands more financial aid by developed states for the improvement of green growth for countries in need, more direct foreign investments by private businesses and the establishment of an expert group on an international basis to help Member States with the development of their programs. **Let us all unite** and take the next step in the eradication of poverty through green agriculture.

**III. Designing Effective Policies and Institutions to Reduce Inequalities**

Macedonia believes in the necessity of efficient ways to target inequality and achieve sustainable development within and among countries. We acknowledge **inclusive growth** as the key instrument to reduce inequality and consider a liberal economic system which fuels growth and an underlying equality of opportunity to be its prerequisites. Macedonia therefore directed many of its policies towards economic growth. For example, the taxation on reinvested profit has been reduced and infrastructure and transportation have been improved in the last decades, all of which has achieved the goal of making the Macedonia economy attractive for foreign investors. In awareness of the tenth SDGand acknowledging the mission of the *United Nations Development Program* (UNDP)to promote sustainable growth and as a participant in the wider regional ‘Dialogue on Inequalities’ conference hosted by the *UNDP Regional Hub for Europe* in Istanbul in January 2015, we continue to successfully strive to fulfill the SDG’s and recognize the measures that are yet to be taken.

**Also acknowledging** the work and support of the *Regional Cooperation Council* (RCC) and their established *South East European* (SEE) equivalent to the *European Unions* (EU) Europe 2020 Strategy, which aims to provide a framework for SEE countries to receive assistance on the implementation of their individual development strategies. We see the need to put more emphasis on strategies reducing inequality in the region through cooperation and dialogue between the already established RCC, which is financed by the EU, and the UNDP. A UNDP delegation could advise on an effective framework for the region and help work on the adoption and implementation of a regional model and in addition to multilateral agreements that harmonize standards, procedures and legislation concerning inclusive growth and align goals and institutions with those of the *2030 Agenda for Sustainable Development*. **In this context,** Macedonia encourages all Member States to adopt guidelines for best practices especially concerning income equality and to standardize tools to improve labor rights, education and health. Macedonia is convinced that labor market policies focusing on flexibility and security, lifelong learning strategies and the support of small- and medium-sized enterprises, especially through low taxation and modern social security systems, will prove to effectively reduce inequality. Furthermore, policies that guarantee the equal access to markets, employment and resources are necessary, especially supporting women and young people entering the workforce and those that are discriminated against based on their sex, gender or ethnicity. Macedonia urges all Member States to implement **national and regional** programs that foster cooperation and strengthen mutual dialogues, coordinate educational opportunities and harmonize effective policies in accordance with the SDGs and recommendations by UNDPwith financial support by the *United Nations* (UN).

Aside from these policy decisions, Macedonia also considers a **strong network** of local and regional micro-level institutions to be a key instrument to facilitate development and therefore reduce inequalities. Service-asset management groups (SAMs) in particular have proven to be an effective tool in improving equality among participating households without or with little assistance from outside the community. Macedonia supports the decentralized approach, which values the strength and responsibility of local and especially rural communities.