

## 2007 Special High-Level Meeting of ECOSOC with the BWIs, WTO and UNCTAD

### Informal Note to the Council

#### Background

The Economic and Social Council will hold its annual Special High-Level Meeting with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development in New York on Monday, 16 April 2007, the day following the spring meetings in Washington of the International Monetary and Financial Committee (IMFC) and the Development Committee.

The Spring Meeting of ECOSOC with the international financial and trade institutions has become a major forum to ensure coherence, coordination and cooperation in the implementation of the Monterrey Consensus of the International Conference on Financing for Development. This year's meeting of the Council has special significance as it takes place at the beginning of preparations for the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, to be held in Doha, Qatar, in the second half of 2008. In addition, later this year ECOSOC will be meeting with newly assigned functions and responsibilities, energized with the direction given by the 2005 World Summit Outcome and General Assembly resolution 61/16 of 20 November 2006.

In its resolution 2006/45 of 28 July 2006, ECOSOC “*requests the President of the Economic and Social Council, with the support of the Financing for Development Office of the Secretariat, to initiate consultations, including with all major institutional stakeholders, on how to enhance the impact of the special high-level meeting of the Council, in order to: (a) Focus the special high-level spring meeting on specific issues, in the context of the implementation of the Monterrey Consensus, within the holistic integrated approach of the Consensus, in consultation with all major institutional stakeholders, and to report thereon to the Council well in advance of the meeting, and, in this regard, underlines the importance of transparency and openness with respect to Member States; (b) Finalize the preparations well in advance of the meeting, in order to facilitate the participation of all parties and ensure high-level participation; (c) Discuss innovative ways and mechanisms to enhance interactions between the Council and the major institutional stakeholders in preparation of the special high-level meeting of the Economic and Social Council with the Bretton Woods institutions, the World Trade Organization and UNCTAD; (d) Request the regional commissions, with the support of regional development banks, as appropriate, and in cooperation with the relevant United Nations entities to continue to strengthen their efforts in addressing regional and interregional aspects of the follow-up to the International Conference on Financing for Development...; (e) Continue to involve all relevant stakeholders, including civil society organizations and the private sector, in accordance with the rules of procedure of the Economic and Social Council and the accreditation procedures and modalities of participation utilized at the Conference and its preparatory process*” (para. 2).

Moreover, in its resolution 61/191 of 20 December 2006 on “Follow-up to and implementation of the outcome of the International Conference on Financing for Development”, the General Assembly “*Reaffirms its resolve to continue to make full use of the existing institutional arrangements for reviewing the implementation of the Monterrey Consensus, as set out in paragraph 69 of the Consensus and in line with resolution 57/270 B, including the high-level dialogues convened by the Assembly and the spring meetings of the Economic and Social Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development, bearing in mind the need to enhance the effectiveness of the follow-up process of the Monterrey Consensus*” (para. 4).

### Substantive Focus

As in previous years, it is expected that within the overall framework of the meeting on “coherence, coordination and cooperation, as a follow-up to the Monterrey Conference”, the roundtable discussions would focus on four sub-themes. The main criteria for the selection of these sub-themes should be the capacity to engage all relevant stakeholders and the current relevance of the topics, within the holistic integrated approach of the Monterrey Consensus.

Based on consultations with the major institutional stakeholders and Member States, it is proposed that the Council address, under the overall theme of “**Coherence, coordination and cooperation in the context of the implementation of the Monterrey Consensus**”, the following four sub-themes:

1. **Good governance at all levels;**
2. **Voice and participation of developing countries in international economic decision-making, including the Bretton Woods institutions;**
3. **Realizing the Doha development agenda – effective use of trade and investment policies;**
4. **Aid effectiveness and innovative financing for development.**

(1) The General Assembly, in its resolution 60/265 of 30 June 2006 on “Follow-up to the development outcome of the 2005 World Summit, including the Millennium Development Goals and the other internationally agreed development goals”, “*calls upon all countries to promote good governance, which is essential for sustainable development, and reaffirms that sound economic policies, solid democratic institutions responsive to the needs of the people and improved infrastructure are the basis for sustained economic growth, poverty eradication and employment creation ...*” (para.7). In the same resolution, the Assembly “*resolves to pursue good governance and sound macroeconomic policies at all levels and to support developing countries in their efforts to put in place the policies and investments to drive sustained economic growth, promote small and medium-sized enterprises and employment generation and stimulate the private sector*” (para. 8). It also “*reaffirms that good governance at the international level is fundamental for achieving sustainable development, that, in order to ensure a dynamic and enabling international economic environment, it is important to promote global economic governance through addressing the international finance, trade, technology and investment patterns that have an impact on the development prospects of developing countries ...*” (para.9).

(2) In its resolution 61/187 of 20 December 2006 on “International financial system and development”, the General Assembly “reiterates the need to effectively address the issue of enhancing the voice and participation of developing countries in the Bretton Woods institutions, encourages the Bretton Woods institutions to take further and effective measures, and invites the World Bank and the Fund to continue to provide information on this issue, using existing cooperation forums, including those involving Member States” (para. 15). In the same resolution, the Assembly “emphasizes that it is essential to ensure the effective and equitable participation of developing countries in the formulation of financial standards and codes, underscores the need to ensure their implementation, on a voluntary and progressive basis, as a contribution to reducing vulnerability to financial crisis and contagion, and notes that more than one hundred countries have participated in or agreed to participate in the joint World Bank-International Monetary Fund financial sector assessment programme” (para 16).

(3) In its resolution 61/186 of 20 December 2006 on “International trade and development”, the General Assembly “expresses serious concern at the indefinite suspension of the trade negotiations of the World Trade Organization and considers it a serious setback for the Doha Round, which places development at the heart of the multilateral trading system, and ... calls for an early resumption of negotiations adhering to the development imperatives and commitments of the Doha Ministerial Declaration, the decision of 1 August 2004 of the General Council of the World Trade Organization and the Hong Kong Ministerial Declaration” (para.1). In the same resolution, the Assembly “underlines the fact that the increasing interdependence of national economies in a globalizing world and the emergence of rule-based regimes for international economic relations have meant that the space for national economic policy, that is, the scope for domestic policies, especially in the areas of trade, investment and industrial development, is now often framed by international disciplines, commitments and global market considerations, that it is for each Government to evaluate the trade-off between the benefits of accepting international rules and commitments and the constraints posed by the loss of policy space, and that it is particularly important for developing countries that all countries take into account the need for appropriate balance between national policy space and international disciplines and commitments” (para. 4).

(4) In its resolution 60/265, the General Assembly “acknowledges recent increases and commitments to substantial increases in official development assistance, while recognizing that a substantial increase in such assistance is required to achieve the internationally agreed goals, including the Millennium Development Goals, within the respective time frames, and in this regard stresses the importance of the fulfillment of those commitments” (para.14). In the same resolution, the Assembly “welcomes recent efforts and initiatives to enhance the quality of aid and to increase its impact, including the Paris Declaration on Aid Effectiveness, and calls for concrete, effective and timely action in implementing all agreed commitments on aid effectiveness, with clear monitoring and deadlines, including through further aligning assistance with countries’ strategies, building institutional capacities, reducing transaction costs and eliminating bureaucratic procedures, making progress on untying aid, enhancing the absorptive capacity and financial management of recipient countries and strengthening the focus on development results” (para. 16). It further “stresses the need to identify, develop and promote innovative and additional sources of financing for development to increase and supplement traditional sources of financing” (para. 26).

## Format

The most important objective regarding the format of the meeting is to facilitate a truly dynamic, interactive dialogue (which includes *inter alia* persuading participants to refrain from prepared formal statements). In the words of the Monterrey Consensus, what is sought is for delegates representing the different stakeholders to truly 'engage' with one another. With this in mind, this year we could build on the format of past years, with some further modifications and enhancements in light of the feedback received and the lessons learned from previous meetings.

The broad structure would include a short opening plenary meeting with brief statements by the heads of the relevant intergovernmental bodies, followed by the simultaneous multi-stakeholder roundtable discussions, to which most of the morning session would be devoted. After the lunch break, a 3 to 6 pm afternoon session would feature reports back to the plenary by the roundtable chairs, immediately followed by informal dialogues on each topic. Closing comments by the President of the Council would conclude the meeting. A renewed effort will be made to promote strict adherence to meeting schedules and time limits when taking the floor, and to stimulate truly interactive dialogue in the round tables and the plenary, in both of which representatives of civil society and the business sector would have the possibility to participate.

## Outcome

As customary, a comprehensive President's summary of the discussions will be issued subsequently, as an official document of both the Council and the General Assembly.

## Consultations

The on-going informal consultations with the major institutional stakeholders should enable substantive preparations, including through the intergovernmental interactions envisaged in the Monterrey Consensus. An update of the informal consultations is provided in the annex.

The following informal consultations have taken place to date, to consider various aspects of the meeting, in particular its substantive focus and format.

1. Informal meeting of the President of ECOSOC with the Dean of the Executive Board of the World Bank, with the participation of the United Nations Under-Secretary-General for Economic and Social Affairs, World Bank Representative in New York and the Director of the Financing for Development Office, UN-DESA (New York, 22 January 2007), followed by a second meeting with the World Bank Representative in New York (13 February 2007).
2. Informal meeting of the President of ECOSOC with the IMF Representative in New York (24 January 2007), followed by informal exchanges with IMF Office in New York (February 2007).
3. Informal videoconference of the President and Bureau of ECOSOC with the President and members of the Trade and Development Board of UNCTAD, with the participation of senior staff of UNCTAD Secretariat and UN-DESA (14 February 2007).