

Closing remarks by H.E. Ali Hachani, Permanent Representative of Tunisia to the United Nations and President of the Economic and Social Council:

Economic and Social Council, Special High-Level Meeting with the Bretton Woods Institutions, WTO, and UNCTAD

New York, 24 April 2006

First of all, let me express my recognition to all participants for the success of our meeting. We had a rich and constructive dialogue. Innovative approaches and new ideas to advance the development agenda have been put forward. It will be possible to build on these ideas in the United Nations, the Bretton Woods Institutions, the World Trade Organization, UNCTAD or other international forum. It is a task that should involve all the stakeholders of the Monterrey Consensus.

Ideas are not in short supply. Stronger action on some of them is what is needed. How can we further enhance the usefulness of this forum in this respect? I would like to suggest that in the near future we start exploring how the result of our dialogue can lead to a greater impact. Specifically, I would propose to initiate consultations with all stakeholders on ways to follow up on the key concrete recommendations emerging from our discussions.

Without attempting a summary at this stage, a full summary will be prepared later, let me convey some of the salient issues in our dialogue.

The current world economic outlook as described in the morning interventions remains on the whole satisfactory. But, as stated by several among you, there are significant risks, particularly due to persistent global financial imbalances and the possibility of continuing volatile energy prices. It was emphasized that a substantial coordinated effort is needed by key players to achieve a smooth unwinding of the global imbalances to avoid a disruption in the world economy.

Also, discussions in the morning, particularly in the round table related to trade and afternoon plenary, reflected a major concern: negotiating parties have made only modest gains in some of the areas being negotiated while in several areas of interest to developing countries there has been no significant advance. Indeed, decisive progress towards fulfilling the development dimension of the Doha Work Programme has been lacking, in particular for agricultural products. In this context, a number of participants stressed the critical need to muster the political will to succeed in achieving a satisfactory agreement at the earliest.

Also, there was a reiteration by individual speakers and representatives of institutions of the crucial role of aid for trade. For many developing countries, it was viewed as a complement but not a substitute for the successful implementation of the outcome of the multilateral trade negotiations.

Nationally designed development strategies were seen by discussants as important instruments to make the development objectives explicit and to identify priorities for action. Full ownership and, therefore, policy space were considered central to actual implementation. Several among you stressed the need for a "bottom-up approach" in designing the development strategies.

Well designed national development strategies were described as key to mobilizing and coordinating international cooperation and for pointing out poverty eradication goals, including the Millennium Development Goals (MDGs), and related measures. There was a rich dialogue on the interface among objectives and policies, domestic actions and international financial cooperation and the role of technical assistance. In this context, alignment was seen as an important feature of effective international cooperation. The discussion also touched upon other important related issue: implementation of the recommendations from the Paris Declaration on Aid Effectiveness. Finally, several participants also noted the useful role and progress in implementation of innovative sources of financing to offer needed additional, long term, predictable resources.

Regarding the support to development efforts of middle-income developing countries one can point to two major subjects that received special attention: the stability of the world economy and international finance, and the international cooperation policies that might have a significant impact on such countries. On the first subject, several representatives stressed the need for renewed efforts to enhance the international financial architecture. On the second, particular attention was paid to the need of special financial support to target the poor within these countries, and to the role of multilateral development banks as a source of long-term capital specially to step up infrastructure investments in the middle-income developing countries. The high level meeting took note with interest of the generous offer of the government of Spain to organize , with DESA, a conference on the middle-income developing countries.

On the debt issue, a significant number of speakers acknowledged the positive steps taken to finance the multilateral debt relief of HIPC's. Yet, for several other countries excessive debt is still preventing acceleration of development and puts in jeopardy the achievement of the Millennium Development Goals. For some speakers additional measures on the debt relief front were, thus, necessary. Several participants felt that the Evian approach should go beyond restructuring and tackle debt relief issues. Notwithstanding, a number of interventions pointed that a durable solution to the debt problem required enhanced debt management and analysis. It was recognized that UNCTAD and the Bretton Woods Institutions by focusing on debt sustainability were making an important contribution in this respect.

Finally, the decision of the International Monetary and Financial Committee (IMFC) to discuss the issue of fair voice and representation for all members to reflect the important changes in the weight of countries in the world economy was welcome by several participants. We look forward to a successful conclusion of these negotiations during the Singapore meeting of the WBIs. We urge that this lead will be followed by other concerned international organizations.