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DOHA OUTCOME DOCUMENT
on Reviewing the Implementation of the Monterrey Consensus

Introduction: reaffirming goals and commitments of the Monterrey Consensus.

1. We the heads of State and Government, and representatives of member states of the United Nations gathered here in Doha, Qatar, from November 29 to December 2 of 2008, almost seven years after the landmark conference held in Monterrey, reiterate our resolve to address the challenges of financing for development in the spirit of global partnership and solidarity. We once again commit ourselves to eradicate poverty, achieve gender equality, sustained economic growth and promote sustainable development as we advance to a fully inclusive and equitable global economic system.
2. We reaffirm the Monterrey Consensus in its entirety and in its integrity and recognize that mobilizing financial resources for development and the effective use of those resources are central for a global partnership for development in support of the achievement of the internationally agreed development goals (IADGs), including the Millennium Development Goals (MDGs).
3. We recognize that the international economic context has changed in profound ways since we met in Monterrey. While assessing progress made, sharing best practices and lessons learned, we have identified obstacles and constraints encountered. We are determined to take actions and initiatives to overcome these obstacles and devise important measures for further implementation.
4. Since 2002 there has been a stronger emphasis on the realization of human rights in development cooperation as witnessed through the 2003 'Common Understanding' among UN agencies. We will ensure that this framework, saying, inter alia, that 'human rights standards and principles should guide all development cooperation and programming' is fully integrated with national development strategies. The emphasis on central human rights principles, such as the indivisibility between civil, political, economic, social and cultural rights; non-discrimination and equity; participation; transparency; and accountability, would provide for an environment in which all human rights can be better realized, including the right to education, health, food, decent conditions of work and social security.

Mobilizing domestic financial resources for development

4. In the years following Monterrey, a number of developing countries have made significant progress in the implementation of development policies in key areas of their economic frameworks, contributing to increased mobilization of domestic resources and higher levels of economic growth. We will continue to build upon this progress and endeavor to strengthen an investment climate that promotes entrepreneurship and facilitates establishing and doing business in a socially and environmentally sustainable way. More efforts are also needed by the international community to support such an environment.

5. We will strive to ensure the necessary internal conditions for mobilizing public and private savings and sustaining adequate levels of productive investment. Good governance is essential for effectively mobilizing domestic financial resources. We will enhance our efforts to strengthen good governance at all levels while keeping in mind countries' different characteristics and specificities and that national ownership is critical.
6. Human resources are the most precious and valuable asset that countries possess. The realization of decent work for all including investment in human capital through better designed and better funded health and education policies, coupled with better social protection and active labor market policies, is essential. Such policies have begun to show results, but increased efforts are needed.
7. To take advantage of the benefits of globalization while minimizing its costs, opening the economy must also be accompanied by sufficient policy space and domestic measures that enhance resilience, in particular in the macroeconomic and financial areas. We will seek to enhance counter-cyclical macroeconomic policies to strengthen the domestic financial sector. Monetary policies should aim for low and stable inflation targets, while seeking to support employment policies and fulfil development needs.
8. Fiscal reform is key to enhancing macroeconomic policies and mobilizing domestic public resources. We will strive to modernize budgetary processes and enhance transparency of public finance management including gender responsive public financial management. In this regard it is imperative to develop methodologies and performance indicators to measure progress in implementing gender-responsive approaches to public finance. The development of a sound and wide-ranging financial sector is central to the mobilization of domestic financial resources and should be an important component of national development strategies. We will strive for diversified, well regulated, inclusive financial systems that promote savings and channel them to sound projects and initiatives, including in particular in the private sector. We will aim to increase the domestic supply of long-term capital and promote the development of domestic capital markets, including through multilateral, regional, sub-regional and national development banks.
9. To achieve equitable development and foster a vibrant, inclusive private sector, a financial infrastructure that provides access through a variety of products and services to small and medium businesses, targeting women, rural areas and the poor is vital, including microfinance and the financing of small and medium-size enterprises. To achieve gender equality, consideration of gender issues within areas such as macro/micro economic policies and labour policies should be undertaken. We will endeavor to address and remove gender biases in labour and financial markets as well as, *inter alia*, in the ownership of assets and property rights.
10. We will strengthen efforts to increase tax revenues through more effective tax collection and modernization of tax legislation including through simplification of the tax system, broadening of the tax base, and strongly combating tax evasion. We recognise the crucial role that tax collection has played in the process of building accountable and representative systems nationally. To support individual country efforts in these areas, it will be important to enhance international cooperation in tax matters and broaden participation in the development of international tax norms and rules. We will strengthen the United Nations Committee of

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Experts on International Cooperation on Tax Matters by upgrading it to an intergovernmental body.

11. Capital flight is a major hindrance to the mobilization of domestic resources for development and efforts should be strengthened to address the various factors that contribute to this. It is vital to address the problem of illicit financial flows. We will strive to create an international mechanism for automatic exchange of tax information between governments in order to combat capital flight and other illicit transfers of fund, involving all sovereign jurisdictions. In this context, developing country-by-country reporting requirements for corporate actors will be considered. Additional measures should be sought to prevent the transfer abroad of stolen assets and to assist in their recovery, as well as to prevent capital flows that have criminal intent, such as the financing of terrorism.
12. Corruption is a phenomenon that can affect developed and developing countries, and the public and private sectors, alike. The Monterrey Consensus underlined that fighting corruption at all levels is a priority. We are thus determined to combat corruption in all of its manifestations. This requires strong institutions at all levels, including the strengthening of the legal and judicial systems. We welcome the increased commitment of Member States that have already ratified or acceded to the United Nations Convention against Corruption, and in this regard urge all Member States that have not yet done so to consider ratifying or acceding to the Convention. We call upon all States parties to fully implement the Convention as soon as possible.
13. While the pursuit of economic resilience is important for all countries, it requires constant and more strenuous efforts in small and vulnerable economies. These national efforts need to be reinforced by international support for capacity building including through technical assistance and through United Nations operational activities for development. In development cooperation policies we will pay special attention to the efforts and needs of LDCs, LLDCs and SIDS. Similarly, special attention is needed to support post-conflict countries in their rebuilding efforts.

Mobilizing international resources for development: foreign direct investment and other private flows

14. We welcome the rise in private international capital flows to developing countries since the Monterrey Conference. At the same time, we will try to substantially broaden the number of countries and sectors receiving such flows. Special efforts should be undertaken at the national, bilateral and multilateral levels to increase private capital flows, particularly foreign direct investment to Africa, LDCs, LLDCs and SIDS. However, developing countries should avoid underbidding each other to compete for investments, as this can lead to a 'race to the bottom' of social and environmental standards and negative development impacts of FDI.
15. Developing countries and countries with economies in transition should enhance efforts to mobilize investment in transport, communications and other physical and social infrastructure that serve to strengthen their business environment. The support of bilateral and multilateral partners in this task is critical. There is also a need to enhance the tools used by multilateral and bilateral donors to mitigate the risks faced by business investors in critical sectors in developing and transition economies and to devise ways by which ODA can play a catalytic

role in the mobilization of private flows. We will also strive to enhance the stability of private capital flows, through encouraging the implementation of counter-cyclical policies, and also through making efforts to promote South-South investment.

16. Experience of recent years has shown that providing an enabling business environment is fundamental to fostering domestic and foreign private investment. We will continue to put in place transparent, appropriate and enforceable regulations and laws for doing business, improve the availability of finance for enterprise, upgrade the skills and technical capabilities of human resources and facilitate public/private consultative mechanisms. Developed countries can also encourage private flows to developing countries through bilateral investment treaties, tax treaties and other tax measures. We call on bilateral and multilateral agencies to continue assisting interested countries to formulate policies and measures to attract international private capital flows, including through public/private partnerships.
17. The quality of foreign direct investment plays an important role in enhancing the development impact of these investments. We will strengthen efforts to maximize linkages with domestic production activities, the transfer of technology and the training of the local labour force. We will make stronger efforts to promote corporate social responsibility and good corporate governance and seek to ensure that adequate labour and environmental protection standards are upheld everywhere. We encourage the work undertaken in the United Nations, including the Global Compact. We maintain the need to establish binding national and international regulation on corporate social responsibility and accountability, as agreed at the WSSD in 2002. Measures should be devised to avoid over-exploitation of natural resources, while enhancing transparency and accountability of revenues from extractive industries, both national and foreign-owned, taking into account, where appropriate, the implementation of relevant initiatives on extractive industries.
18. We recognize that technology transfer is one of the key factors through which foreign direct investment can impact development. Such transfer can also be facilitated by the host country's pro-active innovation and transfer policies. Public-private partnerships can play a crucial role in implementing those policies, as well as in fostering a dynamic small and medium-size enterprise sector. Many lessons have been learned on how these elements should be carefully taken into consideration in the formulation of national development strategies.
19. International financial institutions, particularly multilateral development banks, should continue to enhance their efforts to provide incentives for private flows to developing countries and transition-economy countries. At the same time, these institutions should continue to explore innovative modalities to facilitate additional private flows to such countries.
20. We are cognizant of the fact that the perception of a country's current economic conditions and prospects determine to a large extent the international private financial flows that it attracts. The provision of objective, high quality information is vital for informed decisions by potential foreign investors. We will continue to strengthen modalities, including through multilateral agencies' efforts, to enhance and improve information regarding a country's economic situation and outlook. The information provided by credit rating agencies, which is also useful for public sector policy makers, should thus be based on broadly accepted, objective and transparent criteria.

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21. We will continue to explore measures to lower the cost of workers' remittances through increased cooperation between the originating and receiving countries. Such legitimate transfers should not be impeded by unnecessary legal or other regulations. We will explore avenues for taking fuller advantage of the opportunities provided by remittances to not only satisfy families' consumption needs but also to foster broader access to financial services and savings and promote development goals. However, these transfers, being of a private nature, cannot replace public efforts in the field of increasing ODA, attracting investments, improving conditions of trade, strengthening tax collection, and achieving socially and financially sustainable outcomes of debt negotiations.

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International trade as an engine for development¹

22. We recognize that international trade is inextricably linked to economic growth and development and that a universal, rule-based, open, non-discriminatory and equitable multilateral trading system as well as well sequenced trade liberalization, can substantially stimulate development worldwide. However, benefiting from trade requires productive and competitive capacity, and a considerable number of developing countries, including many LDCs, have remained at the margins of these developments. It is vital that global trade offers positive opportunities for the poor, meet their needs and contribute to their rights being upheld. Making trade an engine for development requires concerted efforts from both the business sector with all its stakeholders as well as the regulating authorities.

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Slettet: We are encouraged to see that international trade, especially the trade of developing countries and countries with economies in transition, has expanded at a fast pace in the current decade. Trade among developing countries has now become one of the most dynamic elements in world trade.

23. A major challenge persists. The Doha Round of multilateral trade negotiations has not been concluded, jeopardizing a continued dynamic expansion in the exports of developing and transition economy countries, as well as adding to the risk of a slowdown in the global economy. We will strive for a successful, early and truly development-oriented conclusion of the Doha Round that demands fewer market-opening commitments from the developing countries than from the developed countries.

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24. We seek to place the developing countries needs and interests at the heart of the further trade negotiations and recognize the importance of making progress in key areas of the Doha Development Agenda that are of interest to developing countries, *inter alia*: increased market access for manufactures and agricultural products, substantial reduction and elimination of subsidies, facilitating technology transfer, effective provisions for special and preferential treatment, opening of markets to services from developing countries, and affording sufficient policy space. In the sense of Special and Differential treatment, the developing countries must be granted the policy space to define the speed and extent of the further liberalisation steps in line with their development needs. We call on rich countries to drop their demands on developing countries calling for onerous tariff reductions, and end their subsidies for agricultural exports to the developing countries.

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25. We acknowledge that the optimum pace and sequence of liberalization depends on the specific circumstances of each country, and that its costs and benefits must be weighed carefully in each case. It must be complemented by expansion of productive capacities, development of human resources and basic infrastructure, access to technology and adequate safety nets, including access to non-expensive quality medicines to secure life and health. A positive impact of liberalization on development also depends to a large extent on appropriate

¹ This section will be reviewed in light of ongoing negotiations.

actions, including predictable access to markets, eliminating abuse of anti-dumping measures, reduction of tariffs and non-tariff barriers and avoidance of measures that distort trade.

26. We recognize that the integration of the LDCs into the multilateral trading system requires support for the diversification of their production and export base, trade related technical assistance and capacity building. International financial institutions, including regional development banks, should provide them with all possible assistance in this regard. We renew the call to developed countries and other countries in a position to do so to provide duty-free and quota-free access to all products from LDCs. We will also redouble efforts to provide technical assistance to low-income developing countries who request it, in order to enable them to participate effectively in the multilateral trade system, including through the Enhanced Integrated Framework and by providing support to allow LDCs to participate effectively in international trade negotiations.
27. Aid for Trade is a vital component of the measures required for developing countries to effectively benefit from the Doha Round. Aid for Trade is not a substitute for a successful outcome of the DDA. We will strive to substantially enhance Aid for Trade to support efforts of recipient countries to take advantage of new trade opportunities and assist them in addressing trade liberalization adjustment measures. Expanding the Aid for Trade agenda should be additional to existing ODA. A critical aim of Aid for Trade should be to enhance competitiveness and ownership while aligning it with the respective national development strategy. Funding with the aim to develop production capacity of goods and services with high value added should be prioritized. The commitments by individual donors relating to Aid for Trade should be fully implemented.
28. Broader and effective participation of countries in the international trade regime is a key objective of the Monterrey Consensus. We will endeavour to facilitate the accession of developing countries and countries with economies in transition that apply for membership in WTO.
29. We recognize that regional integration as well as bilateral trade agreements can be important instruments to expand trade. We should ensure that these agreements promote long-term development and become “building blocks” in the multilateral trading system. International support to South-South cooperation in trade and other areas can be catalytic in strengthening and consolidating regional and sub-regional integration. We will seek to enhance that support, including through triangular cooperation. Bilateral and regional trade and investment agreements that counter the development targets of Southern countries, especially ACP countries, should be renegotiated.
30. We welcome the outcome of UNCTAD XII held in Accra, Ghana 20 – 25 April 2008. UNCTAD has an important role to play as an institution with universal membership and mandate to serve as the focal point of the United Nations for the integrated treatment of trade and development and the interrelated issues of finance, investment, technology, gender equity and sustainable development.

Slettet: LDCs will require special measures and international support to allow for a more gradual and effective adjustment to an open and competitive global economy.

Increasing international financial and technical cooperation for development

31. We reaffirm the crucial role of Official Development Assistance (ODA) in supporting development and facilitating the achievement of the IADGs, including the MDGs. ODA is

particularly important for the countries of Africa, LDCs, LLDCs and SIDS, and it also often constitutes a critical element in peace building efforts. We are encouraged by good practices carried out to strengthen the partnership between developing and developed countries based on the principle of national ownership and leadership.

32. We are encouraged by the recovery of ODA from its declining trend before the Monterrey Conference. Since the Conference, there has been a significant turn-around in the overall volume of aid flows. ODA in real terms doubled between 2001 and 2007. However, we note with concern the overall decline in ODA in 2006 and 2007 and that a significant part of this doubling of aid in the previous period comprised growing debt relief. The aid absorptive capacity of developing countries has increased significantly as a result of their improved domestic policies. We are encouraged that some donor countries have already made ODA commitments, such as the EU for 0.56% of GNI for ODA by 2010 and 0.7 % by 2015. We also welcome reaffirmed targets by the G-8 countries in Hokkaido, Japan, to increase their ODA to \$130 billion by 2010. The full implementation of these targets is vital to substantially boost the resources available to push forward the international development agenda.
33. We recognize that major efforts are still needed for achievement of the IADGs, including MDGs. Developing countries must formulate and implement effective national development strategies and the international community must increase its support substantially. To reach their agreed timetables, developed countries should take urgent measures to raise the rate of increase of aid disbursements. It is equally important that countries that have not already formulated timetables or reached 0.7 % of GNI as ODA do so. We once more urge all developed countries that have not yet done so to make definite efforts to achieve the target of 0.7 % of GNI as ODA to developing countries, including the specific target of 0.15 % to 0.20 % of GNI for LDCs, by 2010. Addressing the current high food and energy prices and implementing climate change-related actions carries a deep developmental connection and makes it ever more urgent to fully meet all the pre-existing cooperation targets. This will require considerable additional resources. Thus we commit to the principle of additionality in relation to already promised resources for development when working out international agreements on financing climate adaptation and mitigation.
34. We also welcome increasing efforts by recipient and donor countries to make ODA more effective. The High-level Forums on Aid Effectiveness, which produced the 2005 Paris Declaration and this year's Accra Agenda for Action, are critical steps forward in this regard by stressing the fundamental roles of ownership, alignment, harmonization, managing for results and mutual accountability. Full implementation of these principles should contribute to more effective and efficient aid delivery and greatly improved outcomes. We will similarly enhance overall efforts to improve the quality of aid, including by untying aid, increasing budget support, streamlining conditions, and making aid more predictable.

We will establish mechanisms that mainstream gender equality and women's empowerment in the implementation of the principles and partnership commitments of the Paris Declaration. We will strive to scale up the share of ODA for gender equality and women's empowerment to reach 10 per cent of all ODA by 2010 and 20 per cent by 2015. The tracking of ODA directed at gender equality and women's empowerment must improve.

35. We note that the aid architecture has significantly changed in the current decade. New official and non-official donors and novel partnership approaches, which transcend the traditional donor-recipient modality, have emerged. The flow of resources involved continues to increase significantly. This underscores the need for alignment, harmonization, coordination and ownership. We shall pursue efforts, both in the United Nations and in collaboration with other relevant institutions, such as, in particular, OECD/DAC, to advance cooperation among this growing community of partners. We shall also strive to provide assistance targeted at long-term capacity building within public, private and civil sectors in order to help sustain the delivery on the recipient countries' own development strategies.

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36. This increasing complexity of aid flows and the large number of new donors have made the task of tracking and assessing such flows more difficult. There is a growing need for more concrete and universal ways to keep track of aid quantity, quality and effectiveness, giving due regard to already existing schemes and peer review mechanisms. We invite the United Nations system, the World Bank, regional development banks and OECD/DAC to consider developing a joint proposal in this regard. The UN Development Cooperation Forum (DCF) offers the most inclusive and appropriate arena in this regard and should be the convener of the other development actors for follow-up.

Slettet: for the incorporation of good aid policies by recipient countries in their national development strategies. ¶

37. Aid can play a catalytic role in removing constraints to growth such as enhancing social and physical infrastructure, technological innovation, empowering women and combating pockets of poverty. Aid can also be an important factor in triangular cooperation schemes that reinforce South-South cooperation. We will explore new and more effective assistance modalities to enhance the catalytic role of aid, in particular for LDCs. We will also seek innovative ways of better targeting middle-income countries. Regional cooperation could also be strengthened as an effective vehicle for mobilizing resources for development, *inter alia* by strengthening and developing regional financial institutions to assist in upgrading critical sectors.

38. We welcome the considerable progress made since the Monterrey Conference in the area of innovative sources of finance. Due to the initiatives by the “Group for Action against Hunger and Poverty” and, later, the “Leading Group on Solidarity Levies”, a number of new innovative financing sources have become a reality, or are in an advanced stage towards implementation, such as, *inter alia*, the International Financing Facility for Immunization (IFFIm), advance market commitments, and the airline ticket solidarity levy, which finances the international drug purchase facility UNITAID to help combat AIDS, tuberculosis and malaria. We acknowledge that these funds should be additional to, and not a substitute for, official development assistance and they should not unduly burden developing countries. We recognize the value of continuing consensus-building on current initiatives while further exploring and evaluating the validity of other proposed innovative sources of finance by governments, non-governmental organizations and civil society.

39. We underline the importance of the role of the United Nations system through its operational activities in delivering effective capacity-building support for development with long-term sustainability. This is particularly important for LDCs. Given that the level of core funding inevitably affects the ability of the United Nations system to fulfill this mandate, we urge donor countries and other countries in a position to do so to substantially increase their

voluntary contributions to the core/regular budgets of the United Nations development system. Furthermore we highlight the need for further action on UN reform, including a unified and coherent UN structure at the country level.

40. The multilateral development banks, including the World Bank, regional and sub-regional development banks and other financial institutions, have proven that they constitute a key source of financing for development. They provide strategic resources in the form of technical assistance for areas such as institution building and promotion of good governance practices, and play an important role in enhancing the integration of developing countries in the world economy and in supporting regional integration and other cooperation efforts. We will endeavor to strengthen these institutions and increase their funding as part of the measures for further implementation of the Monterrey Consensus.

External debt

41. We welcome the progress that debt indicators of developing countries as a whole have shown since the adoption of the Monterrey Consensus. Debt relief under HIPC and MDRI initiatives and the Evian treatment in the Paris Club, together with debtor countries' efforts and ongoing initiatives such as the World Bank/IMF's Debt Sustainability Framework, have contributed to achieving such progress. Borrowing countries have also enhanced their debt management programmes and many have built reserves, thus reducing vulnerabilities.
42. We recognize that important challenges remain. Debt service in a considerable number of low and middle-income countries is still too high, weakening the countries' capacities to achieve the IADGs. Creditors and debtors share responsibility for unsustainable debt burdens. The existing international debt resolution mechanisms, including the Paris Club, cannot guarantee equivalent and just treatment of all creditors and debtors, hindering the establishment of predictable debt resolution procedures. There is concern about increasing vulture fund litigation. In addressing these situations, we need to enhance the international financial mechanisms for debt crisis prevention and resolution by finding internationally agreed solutions. These mechanisms need to be underpinned by principles that have served us well in dealing effectively with many debt problems. These include the need to ensure that debt resolution is a joint responsibility of all debtors and creditors; to recognize that furthering development is the ultimate objective of debt resolution and that debt relief should not detract from ODA; to strengthen transparency and accountability among all parties; to promote responsible lending practices, improved debt management and national ownership of policies; and to facilitate equivalent treatment of all creditors and debtors. We also note the need for the issue of odious and illegitimate debt to be further explored.
43. The number of creditors to developing countries and countries with economies in transition has grown, in light of an increase in new official and private creditors. We will seek to enlarge creditor coordination to reduce risks of debt overhang in borrowing countries and to improve interaction among all relevant actors during debt renegotiations. In those renegotiations, we agree that all relevant actors will pay special attention to the need to respect debtors' policy space, in particular the room for investments in infrastructure, and measures linked to attaining the IADGs, including the MDGs.
44. Technical assistance to address debt problems can be crucial for many countries, in particular those facing acute structural problems, those seriously affected by climate change and those

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emerging from conflict. In spite of existing debt relief initiatives, many developing countries still continue to face obstacles to achieving debt sustainability and might require special assistance. We underline that sound macro-economic policies and public resource management are key elements in reducing national vulnerabilities. We will redouble efforts to provide them with the needed technical help, including specific legal training to help countries faced with external debt litigation. The Bretton Woods Institutions and UNCTAD should continue to play a major and increasing role in this field. Particular attention should be paid to keeping the debt sustainability frameworks under review to enhance the effectiveness of monitoring and analyzing debt sustainability. We note the need for a broader definition of debt sustainability, including social aspects and resources available for the achievement of the MDGs, in estimating debt relief needs. Increased transparency and information-sharing are needed in the choice of debt service scenarios and construction of debt indicators, including sufficient consideration of the domestic public and private debt situation and achieving development goals. Also, for these countries, bilateral donors and multilateral financial institutions should seek to increasingly provide grants and concessional loans as the preferred instruments to ensure debt sustainability.

45. We recognize that a shift has occurred from official to commercial borrowing and from external to domestic public debt and this is creating new vulnerabilities. We note the need to address this situation, including by improved data collection and analysis, hereby securing that gender statistics on the population impact of debt servicing is developed, collected and disseminated.
46. We acknowledge the need to address all relevant issues regarding external debt problems, including through new ad-hoc forums with technical support from the BWIs and the United Nations, to consider *inter alia*, a sovereign debt work-out mechanism, enhancing the transparency and accountability of procedures of existing mechanisms, and the possibility of crafting more permanent debt mediation or arbitration mechanisms, with the possibility of establishing an institution to address issues relating to illegitimate debt.

Addressing systemic issues; enhancing the coherence and consistency of the international monetary, financial and trading systems in support of development

47. Despite several efforts, progress in addressing systemic issues since Monterrey has been limited. We resolve to undertake more decisive and timely steps to improve the functioning of the international economic system to promote global equity and to better support development efforts. This is crucial for an integrated implementation of the Monterrey Consensus and to help achieve the IADGs, including the MDGs.
48. The globalization process has continued to accelerate, bringing closer economic links coupled with significant economic benefits to many countries and peoples. However, this process is leaving behind a considerable number of countries as well as individuals. This implies new challenges and demands on the global economic institutions and their coherence and governance systems.
49. Countries should continue to enhance macroeconomic policies and strengthen their financial system. It is equally important that international development institutions and developed countries tailor their international economic policies more in line with the needs of both low-income and middle-income countries. Improved coordination among the relevant ministries

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and institutions in both developed and developing countries, remains necessary for a coherent formulation and effective implementation of policies at all levels.

50. The foundations of stable international financial markets rest on sound macroeconomic and financial policies. Solid financial institutions at the country level are an essential pillar of a well-functioning international financial architecture. It is crucial, in particular, that countries with large economies manage them in ways that contribute to global stability and economic growth.
51. Enhanced financial information and transparency in the financial operations of public and private financial institutions, particularly banks, as well as in the international financial institutions, are key elements for a well functioning international financial system. National regulators should enhance financial information and transparency at the domestic level. We will further endeavor to strengthen cooperation among national regulators to adopt adequate common standards, as financial resources flow increasingly across borders.
52. The emergence of new and highly globalized financial instruments is changing the nature of risks in the world economy. It is important that regulatory agencies in cooperation with the IMF, the Financial Stability Forum (FSF) and other agencies, both public and private, examine the factors that might increase systemic risks and trigger systemic crisis, in particular the various unregulated activities in international financial markets, with a view to assess whether further regulation at the national and international levels is necessary. A particular attention should be paid to the impacts, risks and opportunities that economic, trade and financial policies pose on women and other vulnerable groups such as rural and indigenous populations, children and ethnic minorities, among others.
53. We reaffirm that the Bretton Woods Institutions should be the key pillars of a strengthened international financial architecture, given that they have the capacity to deal with the management and swift resolution of financial crises in a manner that elicits and facilitates international cooperation. We will undertake measures to ensure that the BWIs have the technical capacities, credit facilities and financial resources necessary to assist countries in preventing financial crises and helping them to deal with the adverse effects of large fluctuations in the price of key commodities. The need for special drawing rights allocation should be kept under review.
54. Regional development banks are key actors in supporting development and furthering regional integration efforts. They play a vital role in the respective regional governance structure. We must ensure that they have the necessary resources to accomplish their tasks. Other regional cooperation frameworks such as financial and monetary arrangements that complement the international financial system can be instrumental in fostering development and financial stability among its members. We encourage those arrangements as they facilitate financial flows, lower transaction costs, serve as mechanisms that assist in the prevention of financial crises and render parties of such arrangements more resilient.
55. Credit rating agencies play a significant role in the provision of information, including assessment of corporate and sovereign risk. The systemic role of the major bond rating agencies in the lead-up to the latest financial crisis has stimulated an international discussion about the need for more transparency and reduced conflict-of-interest in operations. We

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recognize the need to establish an appropriate, inclusive process to consider measures aimed at improving agency oversight and increasing their accountability and transparency.

56. Most efforts in the formulation of standards and codes have taken place outside the multilateral system. It is crucial to ensure an effective and equitable representation of developing countries in standards and norms-setting bodies. While these bodies have increased consultation with some countries, more should be done to broaden the participation. We recognize that the implementation of standards and codes in developing countries with less advanced financial systems should be flexible.
57. We recognize that changes in the governance regime of the global economic and financial institutions are needed. The agreement regarding the recent quota review in the IMF is a step in the right direction, yet greater efforts need to be exerted to increase the voice and participation of developing countries on the board. It is also important to examine conditions by which only a few members can at times block key decisions. The World Bank and other entities such as the FSF and the Basel Committee should consider taking similar steps to achieve a more equitable participation of all members of the international community; the same applies to other bodies engaged in international economic decision-making.
58. Taking note of recent proposals, we acknowledge the need to convene a major international conference to review the international financial and monetary architecture and global economic governance structures. We thus invite the International Monetary and Financial Committee to include this subject in the agenda of its next meetings, and to make appropriate recommendations to the IMF Board of Governors and the international community.

Other new challenges and emerging issues

59. We recognize that multiple challenges have emerged in eradicating poverty, achieving sustained economic growth and promoting sustainable development. Some of these key challenges the world community faces today include: substantial and persistent global imbalances, volatile capital flows and unstable exchange rate markets, large and abrupt price fluctuations in international markets of key commodities, slowing global economic growth, increased costs from damage to the earth's environment and climate change. We reaffirm our resolve towards concerted global action to address all these areas, while consistently furthering economic and human development for all.
60. The concern of the international community with climate change has increased markedly since the adoption of the Monterrey Consensus. Ongoing and potential responses to tackle this phenomenon have major development implications. We agree to address such implications in a timely and decisive way. We *inter alia* resolve to address the financing needs for the mitigation and adaptation to climate change in developing countries in the context of sustainable development, in particular, within the structure of the United Nations Framework Convention on Climate Change (UNFCCC) and the process leading to the UN climate change conference scheduled for the end of 2009 in Copenhagen (COP-15). We commit to respond to the additional financial requirements that meet these new challenges with appropriate, concrete international cooperation measures and policies. Concerted efforts to address climate change should promote increased trade in environmental goods and not result in environmentally based trade distortions. We should facilitate the transfer of low-carbon technology to support economic development efforts.

61. We also underscore the special challenges emerging from international commodity markets, particularly the abrupt rise in food and energy prices. We will mobilize additional multilateral and bilateral resources to assist developing countries, particularly the least developed and those that are most affected by high food and energy prices, in coping with the consequences of these higher prices, while at the same time recognizing the necessity of a substantial expansion in food production. We reiterate that the global food crisis has multiple and complex causes and that its consequences require a comprehensive and coordinated response in the short, medium and long term by national governments and the international community. We also take note of the establishment by the Secretary General of the High-Level Task Force on the Global Food Crisis and encourage its continued engagement with member states of the United Nations.
62. We reiterate the need for gender mainstreaming into the formulation and implementation of development policies, including financing for development policies, by all stakeholders of the Monterrey Consensus. Accordingly we commit to secure equal benefits for men and women from all financing for development, and to channel more resources to the promotion of gender equality. It is also necessary that, when designing and implementing development strategies, due and full attention be paid to overall social development concerns and goals, including the social development aspects contained in the outcomes of major United Nations conferences and summits in the economic and social fields.
63. In middle-income countries, substantial pockets of poverty persist. We acknowledge the efforts to bring to light the particular development challenges faced by middle-income countries at the conferences held in Spain, El Salvador and Namibia on international development cooperation with Middle-Income Countries. We encourage the United Nations system, BWIs and all other stakeholders to enhance their role in addressing the special developmental needs of these countries.

Staying engaged

64. We recommit to keep fully engaged, nationally, regionally and internationally, to ensure proper follow-up to the implementation of the Monterrey Consensus and the Doha Outcome Document, and to continue to build bridges between all relevant stakeholders, both institutional and non-institutional, within the holistic agenda of the Financing for Development process.
65. A robust and credible process of follow-up is critical to continued progress in the Financing for Development process. We acknowledge the need to consider and set up, as appropriate, a more effective intergovernmental structure to carry out this task with the support of the Financing for Development Office, taking into account various proposals that have been put forward in this regard. We request the Economic and Social Council to consider these proposals in depth at its 2009 spring High-level meeting with the international financial and trade institutions, with a view to making appropriate and timely recommendations for final action by the General Assembly.
66. We will consider the need to hold a follow-up conference by 2013.