

Draft outcome document of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, submitted by the President of the General Assembly in accordance with General Assembly resolution 62/187: Doha outcome document on reviewing the implementation of the Monterrey Consensus

Introduction

Reaffirming the goals and commitments of the Monterrey Consensus

1. We the heads of State and Government and representatives of Member States of the United Nations [~~G77: “and representatives of Member States of the United Nations”~~] gathered here in Doha from 29 November to 2 December 2008, almost seven years after the landmark International Conference on Financing for Development,¹ held in Monterrey, Mexico, reiterate our resolve to [~~G77: insert “take concrete action in order to”~~] [~~LICH: insert “implement the Monterrey Consensus and”~~] address the challenges of financing for development in the spirit of global partnership and solidarity. We once again commit ourselves [~~CANZ: Insert “to make best efforts to achieve the goal set out in the Monterrey Consensus,”~~] to eradicate poverty, [~~NOR: Insert “achieve gender equality and”~~] achieve sustained economic growth and promote sustainable development [~~G77: insert “in developing countries”~~] as we advance to a fully inclusive and equitable global economic system.

2. We reaffirm the Monterrey Consensus² in its entirety and in its integrity [~~EU: insert “as well as its principles and objectives”~~], and [~~CANZ: Insert “reiterate that a holistic approach to the interconnected national, international, and systemic challenges, of financing for development – sustainable, gender-sensitive and people centered development – in all parts of the globe is essential. We”~~] recognize that mobilizing financial resources for development and the effective use of [~~EU: insert “all”~~] those resources are [~~G77: “and the effective use of those resources are”~~] [~~G77: insert “is”~~] central to a [~~G77: “a” and insert “the”~~] global partnership for development [~~G77: insert “including”~~] in support of the achievement of the internationally agreed development goals, including the Millennium Development Goals. [~~EU: insert “We reaffirm the importance of freedom, peace and security, respect for all human rights, including the right to development, the rule of law, gender equality and an overall commitment to just and democratic societies for development, as spelled out in the Monterrey Consensus”.~~] [~~LICH: “We reaffirm the Monterrey Consensus³ in its entirety and in its integrity, and recognize that mobilizing financial resources for development and the effective use of those resources are central to a global partnership for development in support of the achievement of the internationally agreed development goals, including the Millennium Development Goals”.~~] Insert: “We reaffirm the Monterrey Consensus⁴ in its entirety and in its integrity, and stress its central importance for a global partnership for development in support of the achievement of the internationally agreed development goals (IADGs), including the Millennium Development Goals (MDGs)”.] [~~SWZ: Insert “Upholding the charter of the United Nations and building upon the values of the Millennium Declaration, we commit ourselves to promoting national and global economic systems based on principles of justice, equity, democracy, participation, transparency, accountability and inclusion”.~~]

[~~SWZ: Propose 2bis “We reaffirm that each country has primary responsibility for its own economic and social development, and the role of national policies and development strategies cannot be overemphasized.~~]

¹ *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7).

² *Ibid.*, chap. I, resolution 1, annex.

³ *Ibid.*, chap. I, resolution 1, annex.

⁴ *Ibid.*, chap. I, resolution 1, annex.

At the same time, domestic economies are now interwoven with the global economic system and, inter alia, the effective use of trade and investment opportunities can help countries to fight poverty. National development efforts need to be supported by an enabling international economic environment. We encourage and support development frameworks initiated at the regional level, such as the New Partnership for Africa's Development and similar efforts in other regions"]

[NOR: Propose 2bis "We recognize that the relationships of gender and economics must be addressed in a more comprehensive way than hitherto. Women's economic and social roles inter alia as food producers and for social cohesion must be facilitated and promoted and sufficient resources mobilised for women's rights and gender equality."]

3. We recognize that the international economic [EU: "**economic**"] context has changed in profound ways since we met in Monterrey [G77 insert: "**which is severely impacting the development of the developing countries. We express our deep concern that the international community is now challenged by multiple inter-related and mutually exacerbating crises, such as global food, energy, climate change and financial crises, as well as a crisis of confidence in some international institutions and international economic system. We see the Doha Review Conference as a timely opportunity for the international community to work on a vigorous, coordinated and comprehensive global response to ensure that the development efforts of developing countries are not negatively affected or compromised. While assessing progress made, sharing best practices and lessons learned, we have noted very limited progress since 2002 and identified significant obstacles and constraints encountered. We are determined to take immediate and intense actions and initiatives to overcome these obstacles and challenges and devise important measures for full, effective and timely implementation of the Monterrey Consensus as well as to undertake urgent actions to address the global food, energy, climate and financial crises.**"]. [EU insert "New opportunities as well as new challenges and emerging issues such as climate change, the rise in food and energy prices, and financial instability, have the potential to impact on our ability to achieve the internationally agreed development goals, including the Millennium Goals, especially in poorer countries."]. [SWZ: insert "Some of these changes, including the rising food and energy prices, the financial crisis as well as the consequences of climate change may offset the progress achieved over the last years"] While assessing progress made and sharing best practices and lessons learned, we have identified obstacles and constraints encountered [EU: insert "**such as a rise in inequality and insufficient progress in gender equality.**"]. We [EU: insert "**have worked towards identifying responses and**"] are determined to take actions and initiatives to overcome these obstacles and devise important measures for further implementation [EU: insert "**and to renew our global partnership for sustainable development**"]. [G77: "~~While assessing progress made and 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~~"] [US: "~~We recognize that the international economic context has changed in profound ways since we met in Monterrey. While assessing progress made and 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.~~" Insert "We welcome the substantial increase in public and private flows since 2002, which has contributed to high and sustained levels of economic growth in most developing countries and a substantial reduction in global poverty rates"]

[G77 proposed 3bis (former 62): "We recognize the need for gender mainstreaming in the formulation and implementation of policies on financing for development. In this respect, it is also necessary that, when designing and implementing such policies, 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, social and related fields."]

Mobilizing domestic financial resources for development

4. [EU: insert “Each country has primary responsibility for its own economic and social development, and the role of national policies, domestic resources and development strategies cannot be overemphasized”.] In the years following the Monterrey Conference, a number of [G77: ~~“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 [G77: insert “in some cases”]. We will continue to build upon this progress [EU: insert “toward the goal of sustainable development in all its three dimensions, to eradicate poverty and create inclusive growth.”] and endeavour to strengthen an [US: insert “open”] investment climate that promotes entrepreneurship and facilitates establishing and doing business. Increased [CANZ: ~~“Increased”~~. Replace with “Continued”] efforts are also needed [CANZ: ~~“are also needed”~~] on the part of the international community to support such an environment [CANZ: Insert “and would contribute positively to furthering this objective.”]. [G77: ~~“endeavour to strengthen an investment climate that promotes entrepreneurship and facilitates establishing and doing business. Increased efforts are also needed on the part of the international community to support such an environment”~~ and insert “continue to ensure the necessary enabling environment for mobilizing public and private savings and augmenting levels of productive investments. Greater efforts are required to support the creation and sustaining of such an environment through appropriate national and international actions. We reaffirm the importance of national ownership and leadership of development strategies”.] [EU: ~~“endeavour to strengthen an investment climate that promotes entrepreneurship and facilitates establishing and doing business. Increased efforts are also needed on the part of the international community to support such an environment.”~~] [US: ~~“Increased efforts are also needed on the part of the international community to support such an environment”~~. Insert “The international community, national governments, and regional economic groups should continue to support these efforts”.]

[EU: Propose 4bis “A strong private sector is an important instrument for generating economic growth and reducing poverty. We endeavour to strengthen the private sector development, including through an investment climate that promotes entrepreneurship and facilitates establishing and doing business, taking into account the need to address gender specific challenges. The support of the international community to such an environment is important.”]

5. We will strive to ensure the necessary internal conditions for mobilizing public and private savings [EU: ~~“savings”~~ and insert “resources”] and sustaining adequate levels of productive investment [EU insert: ~~“,keeping in mind countries’ different characteristics and specificities and that national ownership is critical”~~]. [G77: ~~“We will strive to ensure the necessary internal conditions for mobilizing public and private savings and sustaining adequate levels of productive investment”~~]. [EU: insert “The quality of investments plays an important role in enhancing their development impact”][G77: insert “We recognize that”] Good governance [EU: insert “in all its dimensions, inter alia democracy, human rights, rule of law, transparency, inclusiveness, economic governance”] is essential for effectively mobilizing domestic financial resources [LICH: insert “and for attracting foreign direct investments”]. [EU: insert “It is also a prerequisite for the creation of a stable and encouraging environment for a gender balanced and broad private sector development.”] We will [G77: insert “further”] enhance our efforts to overcome obstacles to strengthen good governance [EU: insert “in all its dimensions and”] at all levels, while [G77: insert “taking into account”] keeping in mind the [G77: ~~“keeping in mind the”~~] different characteristics and [G77: ~~“and”~~] specificities [G77: insert “needs and priorities”] of [G77: insert “each”] countries [G77: ~~“countries”~~. Insert “country”] and that national ownership is critical. [G77: ~~“and that national ownership is critical”~~] [EU: ~~“while keeping in mind the different characteristics and specificities of countries and that national ownership is critical”~~] [US: ~~“We will enhance our efforts to overcome obstacles to strengthen good governance at all levels, while keeping in mind the different characteristics and specificities of countries”~~]

~~and that national ownership is critical.”~~ Insert “We will enhance our efforts to strengthen good governance at all levels while keeping in mind that national ownership is critical”]

[G77: Propose 5 bis. “We stress the vital importance of good governance at the international level, in particular within the global financial, economic and trading regimes which is essential for the creation of a conducive environment within developing countries to enhance the mobilization of domestic resources”.]

6. [EU: insert “The main objective of economic growth remains human development. For this purpose, ~~H~~human...] Human resources are the most precious and valuable asset that countries possess. The realization of decent work for all, including [CANZ: Insert “inter alia”] [NOR: Insert “the full participation of women,”] investment in human capital through better designed and better funded [Mex: “~~better designed and better funded~~”. Insert “through more efficient and responsible employment,”] health and education policies, coupled with better social protection [EU: insert “and access to services in the fields of health, education, finance and credit”] and active [LICH: insert “and inclusive”] labour market policies, [CANZ: Insert “such as the integration of traditionally marginalized populations, including women] is essential. [JPN: Insert “Fostering diverse local and supporting industries creates employment and strengthens communities”] Such policies have begun to show results, but increased efforts are needed [EU: insert “to achieve inclusive and pro-poor growth”]. [G77: “~~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 labour market policies, is essential. Such policies have begun to show results, but increased efforts are needed~~” and insert “full and productive employment and decent work for all is essential particularly through fostering and enable national and international environment. We recognize the importance to continue to invest in human capital through inclusive social policies inter alia on health, education, social protection and worker training, including, where appropriate, programmes such as conditional cash transfers targeted to the poor and school feeding programmes. Such policies have begun to show results but increase efforts are needed, supported by the international community.”] [US: “~~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 labour market policies, is essential.~~” Insert: “The realization of decent work for all is essential, including by investing in human capital through well designed and adequately funded health and education policies, coupled with social policies targeting the needs of the poor and active labour market policies.”]

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 [CANZ: “~~policy space and~~”] and domestic measures that enhance resilience, in particular in the macroeconomic and financial areas [EU: Insert “and promote opportunities for decent work”]. We will seek to enhance counter-cyclical macroeconomic policies to strengthen the domestic financial sector. [US: “~~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 [NOR: “~~seeking to support~~”. Insert “supporting and prioritising”] employment policies. [Mex: “~~while seeking to support employment policies~~”] [US: “~~Monetary policies should aim for low and stable inflation targets, while seeking to support employment policies~~”]

[G77 propose 7alt: To take advantage of the benefits of globalization while minimizing its costs, integration of developing countries into to the global economy must be appropriately sequenced and accompanied by the necessary policy space and domestic measures that enhance resilience in particular in the macroeconomic and financial areas. It must also be in the context of a supportive international environment. We will seek to enhance, where appropriate, counter-cyclical macroeconomic policies to inter alia, strengthen the domestic financial sector and stimulate sustained growth and employment.]

[G77 propose 7altbis: We recognize that an economic environment of low and stable inflation is generally conducive to furthering growth and employment. Public investment, consistent with medium and long term fiscal sustainability, may have a proactive role and encourage a virtuous cycle of investment.]

[SWZ propose 7alt: It is crucial to enhance the efficacy, coherence and consistency of macro-economic policies. To take advantage of the benefits of globalisation, we will pursue sound macroeconomic policies aimed at sustaining high rates of economic growth, full employment, poverty eradication, price stability and sustainable fiscal and external balances to ensure that the benefits of growth reach all people, especially the poor. Along with prudent fiscal and monetary policies, an appropriate exchange rate regime is required. We will pursue appropriate policy and regulatory frameworks at our respective national levels and in a manner consistent with national laws to encourage public and private initiatives, including at the local level, and foster a dynamic and well functioning business sector, while improving income growth and distribution, raising productivity, empowering women and protecting labour rights and the environment. We recognise that the appropriate level of government in market-oriented economies will vary from country to country.

8. [G77: Insert “We will continue to undertake ~~F~~fiscal”] Fiscal reform [G77: Insert “which”] is key to enhancing macroeconomic policies and mobilizing domestic public resources. We will strive to modernize [G77: ~~“strive to modernize”~~ Insert “also continue to improve”][LICH: ~~“to modernize”~~. Insert “for accountable”] budgetary processes and enhance transparency of [G77: ~~“of”~~ Insert “in”] public finance management, including [NOR: ~~“including”~~. Insert “by strengthening”] gender responsive public financial management [G77: ~~“including gender responsive public financial management”~~][LICH: ~~“and enhance transparency of public finance management, including gender responsive public financial management”~~.] [US: Insert: “We will strengthen efforts to achieve 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. Countries can benefit from international cooperation in tax matters and broaden participation in the development of international tax norm.”] The development of a sound and wide-ranging financial sector [G77: seeks clarification of “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 [G77: ~~“in particular”~~] in [G77: Insert “both”] the [G77: Insert “public and”] private sector [G77: ~~“sector”~~ Insert “sectors”]. We will aim to increase the domestic supply of long-term capital and promote the development of domestic capital markets, including through multilateral, regional, subregional and national development banks.[US: ~~“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, subregional and national development banks.”~~]

[EU proposed 8 :“Fiscal reform and accountability is key to enhancing macroeconomic policies and mobilizing domestic public resources. We will strive to modernize budgetary processes and enhance transparency and accountability of public finance management including adequate budgetary allocations to support gender equality.”]

[EU proposed 8bis: “We will aim to increase the domestic supply of long-term capital and promote the development of domestic capital markets as an important component of national development strategies, including through microfinance initiatives, domestic bonds markets, and multilateral, regional, subregional and national development banks. We will strive for a diversified financial system, accessible to all, promoting savings and insurance along with other financial services, channelling financing to sound businesses, big or small, and adressing the household finance needs of the population at large. This sector

needs to be appropriately regulated, thereby protecting consumers without hampering access to finance. Effective, affordable and secure payment systems that extend to populations not reached thus far are key. Policies aiming at enhancing transparency and strengthening competition will assure a more efficient sector.”]

[CANZ propose 8 bis: 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.”]

[US propose 8bis: “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, subregional and national development banks. Monetary policies should aim for low and stable inflation targets, while seeking to support employment policies.”]

9. [G77: Insert “We recognize the importance of fostering a dynamic, inclusive and socially responsible private sector through inter alia facilitating entrepreneurship and “doing business”.] To achieve equitable [EU: Insert “and sustainable”] development and foster a vibrant, inclusive private sector [G77: “~~and foster a vibrant, inclusive private sector~~”], it is vital to have a financial infrastructure that provides access through a variety of products and services to small and medium businesses that target women, rural areas and the poor, including microfinance [EU: Insert “micro-insurance”] [CANZ: “~~microfinance~~”. Insert “microcredit”] and the financing of small and medium-size enterprises. [US: “~~To achieve equitable development and foster a vibrant, inclusive private sector, it is vital to have a financial infrastructure that provides access through a variety of products and services to small and medium businesses that target women, rural areas and the poor, including microfinance and the financing of small and medium-size enterprises.~~” Insert “To achieve equitable development and foster a vibrant, inclusive private sector, a financial infrastructure that provides access through a variety of sustainable, market-oriented products and services to micro, small, and medium-sized businesses, targeting women, rural areas, and the poor is vital.”] [EU: Insert “Moreover social security systems protecting the vulnerable are vital.”][JPN: Insert “By empowering individuals and communities, we will ensure that the benefits of growth reach all people, especially the poor.”] To achieve gender equality, consideration [NOR: “~~consideration~~”. Insert “inclusion”] of [CANZ: “~~consideration of~~”. Insert “in the area of financial services”] gender issues [US: “~~consideration of gender issues~~”. Insert “governments should consider gender issues”] within [CANZ: “~~issues within~~”. Insert “analysis should be undertaken and disseminated in”] areas such as [EU: Insert “budgeting,”][CANZ: “~~such as~~”. Insert “including”] macro- and micro-economic policies and labour policies should be undertaken [G77: “~~To achieve gender equality, consideration of gender issues within areas such as macro and micro-economic policies and labour policies should be undertaken.~~”] [CANZ: “~~should be undertaken~~”] [US: “~~should be undertaken~~”]. We will endeavour to [EU: “~~endeavour to~~”] [NOR: “~~endeavour to~~”] address and remove gender biases [CANZ: “~~to address and remove gender biases~~”. Insert “to eliminate gender-based discrimination”] in labour and financial markets as well as, inter alia, in the ownership of assets and property rights [NOR: “~~as well as, inter alia, in the ownership of assets and property rights.~~”] [G77: Insert “Consideration of gender issues within areas such as macro and micro-economic policies and labour policies should be undertaken.”] [NOR: Insert “We will undertake legislative and administrative reforms to give women full and equal access to economic resources, including the right to inheritance and to ownership of land and other property, credit, natural resources and appropriate technologies”].

[G77 propose 9bis: We recognize that microcredit programmes have proven to be effective in generating productive self-employment which can contribute to the achievement of the internationally agreed development goals including the MDGs. Despite some progress, globally large additional demand remains.

We underline the need to appropriately support, in a coordinated manner, the efforts of developing countries, including in capacity-building for their microcredit institutions.

10. We will [G77: Insert “continue to”] strengthen efforts to increase [LICH: “increase”. Insert “secure”] tax revenues through more effective tax collection and modernization of tax legislation, including through simplification [LICH: Insert “and enhanced accountability”] of the [G77: “simplification of the”. Insert “an equitable and efficient”] tax system, [EU: “;”. Insert “and”] broadening [EU: Insert “and increasing”] of the tax base and [EU: “and”. Insert “;”] strongly [LICH: “strongly”. Insert “effectively”] combating tax evasion [LICH: Insert “on the basis of a universal level playing field”]. [EU: “;”. Insert “; international support for individual countries’ efforts as mentioned above including in the form of technical assistance and exchange of information in tax matters; enhancing international cooperation in tax matters, inter alia also to prevent tax evasion, and broadening participation in the development of international tax norms and rules”] [G77: Insert “While every country is ultimately responsible for enforcing the collection of its tax revenue, it is important”] To [G77 “To”. Insert “to”] support individual country [G77: “country”. Insert “countries”] efforts in these areas [G77: Insert “by enhancing international cooperation and participation in addressing international tax matters”] it will be important to enhance international cooperation in tax matters [LICH: Insert “including in the area of the elimination of double taxation and in combating tax evasion”] and broaden participation in the development of international tax norms and rules. [G77: “it will be important to enhance international cooperation in tax matters and broaden participation in the development of international tax norms and rules.”] [EU: “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 consider [G77: “will consider”. Insert “support”] strengthening the Committee of Experts on International Cooperation in Tax Matters by upgrading it to an [G77: “an” Insert “a United Nations”] intergovernmental body [G77: Insert “and ensure its adequate funding”]. [CANZ: “We will consider strengthening the Committee of Experts on International Cooperation in Tax Matters by upgrading it to an intergovernmental body”] [LICH: “by upgrading it to an intergovernmental body”] [SWZ: “We will consider strengthening the Committee of Experts on International Cooperation in Tax Matters by upgrading it to an intergovernmental body”] [US: “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. 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 consider strengthening the Committee of Experts on International Cooperation in Tax Matters by upgrading it to an intergovernmental body.”]

11. Capital flight [LICH: Insert “has various root causes and”] is [US: “is”. Insert “can be”] a major hindrance to the mobilization of domestic resources for development, and efforts should be strengthened to address the various factors that contribute to it. [EU: “;” Insert “;inter alia through increased international cooperation to establish more transparency, including a strengthened exchange of information on cross-border financial flows between tax administrations, partnership between UN and OECD and with the private sector; broaden certification of origin and monitoring financial flows in natural resource industries, e.g. by support for the Extractive Industries Initiative (EITI), the Kimberley process, the Forest Law Enforcement, Governance and Trade (FLEGT); additional measures to prevent the transfer abroad of stolen assets and to assist in their recovery, such as support for the Stolen Assets Recovery Initiative (STAR) as well as to prevent capital flows that have criminal intent, such as the financing of terrorism.”] [US: “and efforts should be strengthened to address the various factors that contribute to it”. Insert “particularly in situations of poor governance or political instability, and governments and international organizations should strengthen efforts to address the various factors that contribute to this”] It is vital to address the problem of illicit [SWZ: “illicit”. Insert “illegal”] financial flows. 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. [EU: “It is vital to address the problem of

illicit financial flows. 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”. Insert “We recognize that it is vital to address the problems of illicit financial flows”]

[G77 proposed 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 it.”]

[G77 proposed 11bis: “It is vital to address the problem of illicit financial flows especially money laundering. Additional measures should be sought to prevent the transfer abroad of stolen assets, including to safe havens, and to assist in their recovery and return of such assets, in particular to their countries of origin, consistent with the United Nations Convention Against Corruption, as well as to prevent capital flows that have criminal intent. In this regard, we urge as a matter of priority all States that have not yet done so to consider becoming parties to the International Convention for the Suppression of the Financing of Terrorism, and call for increased cooperation with the same objective.”]

12. Corruption is a phenomenon that can affect [CANZ: ~~“is a phenomenon that can affect”~~. Insert “affects both”] [Mex: ~~“can affect”~~. Insert “affects”] developed and developing countries, and [CANZ. Insert “both”] the public and private sectors, alike [CANZ: ~~“alike”~~]. [US: ~~“Corruption is a phenomenon that can affect developed and developing countries, and the public and private sectors, alike.”~~] The Monterrey Consensus underlined that fighting [EU: ~~“The Monterrey Consensus underlined that fighting”~~. Insert “Fighting”] corruption at all levels is a priority [EU: Insert “and promote good governance in its dimensions”][CANZ: ~~“at all levels is a priority”~~. Insert “is a priority at all levels”]. [US: Insert “Progress among developing countries has been mixed since 2002, with many showing little or no improvement in levels of corruption”] We are thus determined [LICH: Insert “to prevent and to continue ”] [US: Insert “to take urgent and decisive steps”] to [G77: Insert “continue to”] combat corruption in all of its manifestations [US: Insert “in order to reduce obstacles to effective resource mobilization and allocation, and avoid the diversion of resources away from activities that are vital for poverty eradication and economic and sustainable development”]. This requires strong institutions at all levels, including [LICH: ~~“including”~~. Insert “in particular”] the strengthening of the legal and judicial systems [EU: Insert “and enhanced transparency and reporting standards”]. We welcome the increased commitment of Member States that have already ratified or acceded to the United Nations Convention against Corruption,⁵ and, in this regard, [CANZ: Insert “we strongly”] urge all Member States that have not yet done so to consider ratifying or acceding [CANZ: ~~“consider ratifying or acceding”~~. Insert “ratify or accede”] to the Convention [LICH: Insert “as a matter of priority”]. We call upon all States parties to fully implement the Convention as soon as possible [LICH: ~~“as soon as possible”~~. Insert “without delay”] [Mex: Insert “and to work jointly in the establishment of a Mechanism for Follow-up on Implementation of the Convention of Merida].

13. While the pursuit of economic resilience is important for all countries, it requires constant and more strenuous [G77: ~~“strenuous”~~. Inserted “concerted”] efforts in [EU: Insert “Africa,”] small and vulnerable economies. These national efforts need to be reinforced by international support for capacity-building, including through [G77: Insert “financial and”] [EU: Insert “demand driven”] technical assistance and United Nations operational activities for development. In development cooperation policies we will pay special attention to the efforts and [JPN: Insert “specific”] needs of [EU: Insert “Africa”] [CANZ: Insert “Africa”] the least developed countries, landlocked developing countries and [G77: ~~“and”~~] small island developing States [G77: Insert “and Africa”]. Similarly, special attention is needed to support post-conflict countries in their rebuilding efforts [JPN: insert “to prevent them from relapsing into conflicts”].

[Mex propose 13 bis. “To advance in the implementation of the Monterrey Consensus, the Millennium Development Goals and other internationally agreed development goals, development strategies should aim

⁵ United Nations, *Treaty Series*, vol. 2347, No. 42146.

at reducing inequalities within and among countries. To do so, domestic policies should focus on capacity building, social protection, and promoting coordination among the relevant stakeholders, with social priorities placed at the core of economic policy design.”]

[Mex propose 13 Ter. “In order to promote capacity building and social protection among the poor, countries must allocate the appropriate level of investment in order to provide universal access to basic economic and social infrastructure and social services, such as education, health, nutrition, shelter, and social security programs. Additionally, policies that link economic and social considerations are required to guarantee that the poor benefit from economic growth and development. Such policies include those aimed at integrating the poor in to productive activities, investing in the development of their labour skills and allowing their insertion into the labour market”.]