



UNITED NATIONS CONFERENCE ON THE WORLD FINANCIAL
AND ECONOMIC CRISIS AND ITS IMPACT ON DEVELOPMENT

NEW YORK 24-26 JUNE 2009

[PRESS RELEASE]

**Governments meeting this week at UN Conference
to adopt agreement on measures to address the economic crisis**

(UNITED NATIONS, NEW YORK, 24 June) – United Nations Member States open a meeting today in response to the worst global economic setback since the Great Depression, seeking consensus agreement on the nature of the crisis and how to minimize its impact on development and poverty eradication. The preliminary draft agreement concludes with recommendations on fighting the recession and on establishing safer and fairer financial practices.

Negotiations on the draft outcome text concluded Monday. It will be presented for final approval to the **UN Conference on the World Financial and Economic Crisis and Its Impact on Development**, running from 24 to 26 June at UN Headquarters.

Also attending the conference are civil society leaders from around the world.

“I look forward to a positive response by Member States to the draft outcome document, which I think helps to place the United Nations at the centre of discussions to address this crisis in an inclusive and urgent manner,” General Assembly President Miguel d’Escoto Brockmann said today.

“For a large number of countries, there are no ‘green shoots of recovery,’” Secretary-General Ban Ki-moon said in opening remarks to the Conference. “There are only fallow fields. The real impact of the crisis could stretch for years.”

The Secretary-General added that he is mobilizing the UN system to support countries on food security, trade, a greener economy, stronger safety nets, and a Global Jobs Pact.

POINTS OF AGREEMENT

The Conference outcome document recognizes that developing countries are among the hardest hit. It recommends that a larger amount of the liquidity and financing that is being mobilized to alleviate the economic crisis should be targeted to developing and especially low-income countries. Loan conditionalities attached to this financing should be streamlined, the document says.

Recognizing the human costs of the steep economic downturn, the agreed outcome document calls for additional resources for social protection, food security and human development, and follow-through on commitments for increased development assistance.

The document acknowledges ongoing reform at the International Monetary Fund, the World Bank and the Bank of International Settlements, and calls for further progress on developing country representation, transparency and international oversight in these institutions. It particularly recommends enhanced IMF surveillance of major financial centres, international capital flows and financial markets, and improved early warning systems against impending crises.

RENEWED CONCERN ON ECONOMY

Concern about prospects for recovery from global recession was stirred by the release Monday of a World Bank report, projecting that world output would shrink by 2.9 per cent this year – a considerably larger dip than previously forecast.

Also, on Friday 19 June, UN food agencies reported that the number of the world's hungry has surpassed one billion.

"The most recent increase in hunger is not the consequence of poor global harvests, but is caused by the world economic crisis that has resulted in lower incomes and increased unemployment," Food and Agriculture Organization Director-General Jacques Diouf said on Friday.

The Conference is also highlighting the issue of debt build-up in middle-income developing and transition nations, as well as in the poorest. **The Report of the Secretary-General on the World Financial and Economic Crisis and Its Impact on Development**, prepared for this Conference, projects that some \$3 trillion of external sovereign debt and well over \$1 trillion of external private-sector debt will fall due in these countries in 2009. The World Bank's 22 June report on Global Development Finance expects private capital flows to developing countries to fall to \$363 billion this year, down from a peak of \$1,200 billion in 2007.

The 24-26 June Conference will also review how the UN system performed during the crisis and assess ways to upgrade its effectiveness in responding to people's needs.

Plenary discussions in the General Assembly Hall will continue through Friday. Four roundtables will be held on the impact of the crisis on employment, trade, investment and development, including progress on the world's **Millennium Development Goals**; action to mitigate the impact of the crisis on development; the role of the UN in discussions on reforming international financial architecture; and the UN response to the crisis.

*For more information, contact the UN Department of Public Information,
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*For Conference information and live webcasts of the proceedings, please visit
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