



الأمم المتحدة  
اللجنة الاقتصادية والاجتماعية لغربي آسيا

UNITED NATIONS



NATIONS UNIES

Economic and Social Commission  
for Western Asia

Commission économique et sociale  
pour l'Asie occidentale

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TELECOMM UNIT

Beirut, 20 May, 2009

Dear Mr. Brockmann,

Excellency,

It gives great pleasure to inform you that pursuant to the UN resolution (A/RES/63/277) on the "Organization of a United Nations conference at the highest level on the world financial and economic crisis and its impact on development", the Economic and Social Commission for Western Asia (ESCWA) organized "The Regional High Level Consultative Forum on the Impact of the Financial Crisis on the ESCWA Member Countries: The Way Forward" on 5-7 May 2009 in Damascus, the Syrian Arab Republic, to debate the impact of the financial crisis on various sectors. The Forum adopted a declaration reflecting the views of the participating international and regional experts and representatives of the ESCWA member countries on how to respond to the Crisis.

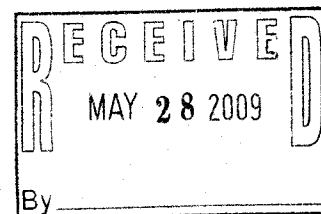
The Damascus Declaration included a number of policies and strategies for ESCWA member countries to confront the consequences of the Crisis. The Declaration also included a set of recommendations to ESCWA Secretariat in order to provide technical support to member countries to mitigate the impact of the Crisis on their economies.

Upon the recommendation of the Forum, ESCWA Secretariat was requested to submit this Declaration to the President of the General Assembly. Therefore, I am pleased to attach a copy of the Declaration, which I hope it would be distributed as one of the documents of the forthcoming United Nations Conference on the impact of the economic and financial crisis on development, to be held on 1-3 June 2009 at the UN Headquarters in New York.

Sincerely,

Bader Omar AlDafa  
Under-Secretary-General  
Executive Secretary

His Excellency  
Mr. Miguel d'Escoto Brockmann  
President of the General Assembly  
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**DAMASCUS DECLARATION ON RESPONDING TO  
THE INTERNATIONAL FINANCIAL CRISIS  
IN THE ESCWA REGION  
7 MAY 2009**

The Regional High-level Consultative Forum on the Impacts of the International Financial Crisis on ESCWA Member Countries: the Way Forward, held in Damascus on 5-7 May 2009 ("the Forum"),

Having discussed the impact of the international financial and economic crisis ("the crisis") on ESCWA member countries,

Having also discussed the national, regional and international responses to the crisis and taken the views of experts, representatives of ESCWA member countries, regional and international organizations,

Hereby adopts this Declaration:

1. The Forum requests ESCWA member countries to take the following steps to respond more effectively to the crisis:
  - (a) Take active measures to offset the repercussions of the crisis on their economies and, in particular, to mitigate its impact on economic growth, development and employment. The measures taken will depend on whether a country is oil exporting, has a more diversified economy, is a least developed country or is under occupation;
  - (b) Adopt sustainable expansionary fiscal policies to boost domestic demand and shorten the period of low economic growth. Fiscal stimuli in ESCWA member countries should meet key development goals, and be coordinated and implemented in cooperation with the private sector and civil society. Such policies should primarily be targeted towards infrastructure, agriculture, industry, health, education, environment and social protection mechanisms;
  - (c) Take measures to ensure greater cooperation with and support for the private sector, particularly in the real economy, with a special focus on small and medium-sized enterprises and the banking sector in those member countries facing capital reversal and liquidity crises;
  - (d) Encourage national, regional and international funds to provide increased liquidity to those member countries facing liquidity crises. Such funds are required to strengthen the response to the crisis through measures that provide long-term financing for low and medium income countries in the region in order to enable them to meet the Millennium Development Goals;
  - (e) Enhance the efficiency of regulatory frameworks in the financial sector to better serve the real economy;
  - (f) Promote greater regional integration, particularly in monetary and financial affairs, and coordinate stimulus policies in order to improve the effectiveness of their response to the crisis;
  - (g) Encourage sovereign wealth funds in the ESCWA region to increase their investment in the real economy of the region, in particular in those member countries with comparative advantage in agriculture and industry;
  - (h) Pursue diversification vigorously to reduce dependency on the oil sector, by diversifying exports and investing in technology and infrastructure, thus expanding employment opportunities;

(i) Facilitate intraregional flows of trade in goods and services, people and capital between ESCWA member countries to enhance regional integration;

(j) Promote South-South cooperation as part of the promotion of economic and technical cooperation between developing countries;

(k) Strengthen employment and social protection policies in the interest of ensuring decent work for all, including employment services, active labour market policies, unemployment insurance, sustainable and adequate pension policies, and complementary cash transfer programmes;

(l) Support the United Nations Conference at the Highest Level on the World Financial and Economic Crisis and its Impact on Development (New York, 1-3 June 2009). This can be accomplished by actively participating in the Conference and providing inputs reflecting the needs of the region;

(m) Take proactive steps towards ensuring more active participation of developing countries, in particular those in the ESCWA region, in managing the global economy. The current crisis has proved the need for reform and, in particular, for a more representative, legitimate and thus effective management of the global economy. This cannot be achieved without the active participation of developing countries in global economic decision-making mechanisms.

2. The Forum supports the activities of ESCWA and requests the secretariat to undertake the following steps to assist member countries to respond more effectively to the crisis:

(a) Strengthen and enhance the role of ESCWA in representing the particular needs of the region in managing the crisis and in the deliberations of The Commission of Experts of the President of the United Nations General Assembly on Reforms of the International Monetary and Financial System;

(b) Undertake technical cooperation and capacity-building activities (such as seminars, workshops and technical missions), bringing together concerned entities in each country (such as the ministries of foreign affairs, trade, finance and the economy) in order to assist member countries to achieve both national and regional coherence in negotiating positions in respect of such matters of strategic importance as the current crisis;

(d) Play a catalyst role in bringing together member countries and Arab and Islamic financial institutions in order to enhance the role of such institutions in solving problems arising from and/or exacerbated by the crisis;

(e) Submit this Declaration to ESCWA member countries and to the President of the United Nations General Assembly for its inclusion in the background documents of the forthcoming United Nations Conference at the Highest Level on the World Financial and Economic Crisis and its Impact on Development.