

**Special High-Level Meeting of ECOSOC with the Bretton Woods institutions, the
World Trade Organization and the United Nations Conference on Trade and
Development
(New York, Conference Room 2 (NLB), 18-19 March 2010)**

Concluding Remarks by the President of ECOSOC

Ladies and Gentlemen,

We have concluded our discussions in the 2010 special high-level meeting of the Economic and Social Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development.

2. Let me first turn to the tone and texture of our meeting. I believe that you would agree with me when I say that the discussions have been very productive, open and constructive. I hope that the format of the meeting had helped in this regard. But at the end of the day, the format can take you only so far. What is more important is the positive spirit of engagement from all participants. I must therefore thank all of you for the quality of the discussions and for your cooperation in keeping to the time allotted.

3. I must also thank our guests and friends from Washington, Geneva as well as from all over the world. We hope to see them again next year.

4. In my opening remarks, I said that my hope and expectation for this meeting was that it would better promote closer relations among all of our organizations and institutions. It was clear from the interventions that my colleagues from the World Bank, IMF, WTO and UNCTAD all share this hope.

5. I am most pleased to accept the invitation from the Dean of the Board of Executive Directors of the World Bank to present the results of this meeting to the Development Committee during the BWI Spring Meetings in April.

6. I will submit a full summary of the meeting at a later stage. Now, allow me to briefly sum up the main points of our discussions in the last two days. These points are not made in any particular order.

Opening Plenary

7. In the opening plenary, the discussion covered the following points:

- The implementation of the global commitments made in Monterrey and Doha is critical if the MDG targets are to be met;
- The role of State in development, in implementation of the right policies and respecting the basic rules of governance, is critical.

- Building productive capacity in developing countries linked to the creation of jobs forms the economic foundation in achieving the MDGs.
- Member States called for “Policy Space” for developing countries to pursue their development paths.
- The imbalances in the global economy and regulatory shortfalls need to be tackled effectively as well as the imbalance between the asymmetry in benefits for developing and developed countries.
- It was noted that the BWIs had intensified efforts to help provide financing to developing countries in the wake of the crisis.
- Various reform efforts of the World Bank are underway.
- The conclusion of the Doha Round to deliver on its development objectives is imperative and should be complemented by significant and targeted Aid for Trade to help build supply-side capacity in developing countries.
- Some Member States raised the issue of legal predictability in debt restructuring and called for the setting up of a debt workout mechanism.
- Cooperation between the UN and BWI should be strengthened at all levels in order to enhance policy coherence. The important role played by ECOSOC in coordination of international efforts in international development cooperation was reiterated and this role should be strengthened.

Thematic Debate 1

8. The following points were raised during the discussion on “Mobilizing domestic and international resources to fund existing and emerging MDG implementation gaps”

- The continuing impact of the crisis on employment was pointed out. It was stressed that the high unemployment and the lack of quality jobs were an impediment to increasing domestic resources.
- It was observed that for poorer countries, the economic and social damage from the downturn in growth is greater than the rebound during recovery.
- On the need to balance investment and expenditure between the economic and social sectors, it was emphasized that the balance between the two ultimately depends on the country situation.
- The need for good governance at both domestic and international levels was stressed. There needs to be continuous dialogue on this.

- Several interventions emphasized the need for an increased say for the developing countries in the decision making process of the Bretton Woods institutions.
- Some participants emphasized the importance of doing away with conditionalities in IMF financing. IMF representatives noted that it had been streamlining conditionalities and IMF programmes in order to maintain fiscal space for social expenditures.
- A number of participants thought it was crucial to have a coordinated response vis-à-vis the recent financial crisis.
- It was also pointed out that traditional ways of mobilizing development assistance resources, while crucial, should be supplemented by innovative sources of finance. The importance of quality of aid was also stressed.
- The importance of having improved tax administration as a means of strengthening domestic resource mobilization was emphasized.
- While remittances had held up surprisingly well in the crisis, migrants workers in some areas were more severely affected by the crisis than others.

Thematic Debate 2

9. The thematic debate on “Supporting rehabilitation, recovery and development efforts of developing countries with special needs and those facing humanitarian emergency situations” included the following points:

- Countries with special needs face multiple challenges. During these crises, it is the most vulnerable segments of their population, particularly women and children, who typically suffer the most.
- Efforts to spur rehabilitation, recovery and development in these countries should focus on increasing the productive capacity of the economy to overcome supply-side constraints and generate decent work employment opportunities.
- The state has to play an important role in supporting the development of institutional and organizational capacities, coordinating economic activities and containing the social impact of crises.
- The timely, integrated and coordinated response to the challenges generated by crises for countries with special needs and those facing humanitarian emergency situations requires a strong international partnership.

- There is a need for more cohesive, coordinated and comprehensive international development cooperation, which promotes the development efforts of countries with special needs.
- More South–South cooperation provides important new development opportunities for countries with special needs.

Thematic Debate 3

10. The thematic debate on “Enhancing coherence and consistency of the international monetary, financial and trading systems in support of development interactive discussion” highlighted the following points:

- The G20 is an improvement over the G8 as the major forum for global discussions. However, the majority of countries are still excluded and it was stressed that the United Nations is the most legitimate forum for addressing the pressing needs facing the world today.
- Many participants noted that the governance structure of the Bretton Woods institutions should better reflect current economic realities and give more representation to low-income countries. Some thought that efforts so far were not bold enough.
- Some speakers focused attention on the need to further enhance multilateral instruments for broad-based precautionary financing to make them a credible alternative to self-insurance by developing countries. It was also pointed out that, notwithstanding some improvements, in many cases IMF programmes are still prescribing pro-cyclical policies.
- There is a need for strengthening regulatory mechanisms for financial flows.
- According to several speakers, the financial crisis underscored the need to redress the deficiencies of the present international monetary system based essentially on one national currency, the United States dollar. Consequently, the international community should start discussions on an international reserve currency including a broadening of existing SDR arrangements.