

Observations by Switzerland
as a follow-up to General Assembly Resolution 65/94
“The United Nations in Global Governance”

I. Current challenges to Global Governance

1. When analyzing current challenges related to Global Governance, a number of complex dichotomies emerge:
 - a. What is needed to respond to pressing issues (faster decisions, stronger institutions to implement) vs. what is politically feasible;
 - b. Post-1945 power realities vs. the representation of newly emerging powers;
 - c. Policies agreed upon vs. their implementation;
 - d. An emerging global public with high expectations vs. the lack of impact of the present system in addressing pressing issues.

The situation created by these issues is confronting both institutions individually and the international system as a whole and presenting them with a series of governance and management challenges.

II. The role of the United Nations in Global Governance

2. The UN is exposed to the trends described above more than any other institution, because of its broad mandate, its ambitious objectives and its universal membership. The UN has a unique portfolio and unique convening power. It is therefore no surprise that the call for global governance reform has translated into a call for UN reform and for a redefinition of the UN's role in the international system.
3. This has led to numerous initiatives aiming to: improve the management of the UN Secretariat; strengthen the intergovernmental machinery and system-wide coherence; intensify efforts to achieve one UN in the field as well as relations with global partners and regional organizations; and extend outreach to global constituencies. A systematic and comprehensive review of all these efforts is still outstanding.
4. The UN is stronger on inclusiveness and legitimacy and less strong on fast response and resource efficiency. It is stronger on creating legitimate, normative and policy frameworks and less strong on

implementation. This is one of the many reasons why its role in coping with the financial and economic crisis is elusive and why the G-20 constituted itself outside the UN framework in order to take quick action with great impact. A fundamental shift in this regard is difficult to imagine – the UN's strengths will remain its legitimacy, convening power, normative frameworks, and value orientation.

5. There are useful concepts which could inform our efforts to strengthen the UN and its role in Global Governance:

- a. Recent developments have broadened our understanding of the international system as a network and the UN as a hub of such a network. The idea of “world government” or any hierarchy of institutions are not promising concepts for the future. Rather, we should look at network governance and try to define the role of the UN under such a concept;
- b. Global multilateralism can very well go hand in hand with “minilateralism” (the minimum number of countries necessary to get things done), clubs, and alliances of like-minded countries; in fact, they must be made complementary. The UN should not be the last hold-out for minimal consensus and resistance to change but the test-lab for new approaches, experiments, pilot projects, and the like. It should then also act as a catalyst for scaling up successful and validated experiences.
- c. In order to strengthen the UN's role in the international system, it is important to work on a political alliance for modernizing the organization. In the past, trans-regional alliances have proven successful and have also been the source of new issues coming to the UN agenda;
- d. The link between governance and management reform tends to be underestimated. Successful governance reform is less a question of design but of the necessary support structures for change such as shared operating systems (CAP, CERF, ERP, etc.) and shared awareness platforms (Caring for Climate, UN-Aids, etc.).
- e. The combination of investment in knowledge, fact-based decision-making and political validation of facts is crucial for consensus-building. The IPCC model is important in this context. Filling knowledge gaps is often the first step towards better governance. The UN provides an important arena where information can be pooled, examined and debated.
- f. The UN will continue to be the premier forum for the emergence of universal norms and standards, both political and legal. The UN's role has been crucial in codifying norms, be it in the form of resolutions or treaties. This asset puts the UN at an advantage over informal groups such as the G-20, and should continue to be the UN's core business.
- g. The future of the UN is in expanding the circle of those to be included in decision-making: it is important for the UN to partner with business, academia, and civil society.

III. Global Economic Governance: Strengthening ECOSOC's role in GEG

6. The current Global Economic Governance arrangements are highly fragmented, with a variety of institutions having their own specific mandate and often pursuing conflicting objectives. The result is a lack of policy coherence and a sense of compartmentalization across issue areas that are interconnected (e.g. trade and finance). A more unified approach is therefore needed here. The United Nations is the only legitimate body that could provide a platform where different and competing objectives in Global Economic Governance are identified and discussed. By focusing on the key connections between different issues and appropriate policy responses in different areas, the UN could contribute to ensuring that objectives and policies pursued by specialized agencies mutually reinforce, rather than divide, one another, in support of sustainable development. The UN's role in Global Economic Governance could therefore be at the interface of trade, finance, employment, development aid, and the environment, to help reconcile competing objectives and define appropriate governance arrangements.
7. The role of ECOSOC in GEG has been largely elusive, partly due to its weak mandate in this regard. To enhance its impact on GEG, ECOSOC must become more attractive for both decision-makers and experts in the economic realm. Rather than striving to be an alternative to the G-20, ECOSOC could act as a powerful and legitimate sounding board for initiatives and proposals developed in other forums. It could aim to take on the role of a think tank to produce and validate proposals and studies on GEG, focusing on the connections between different issues mentioned above. To ensure high-level attendance, its high-level segment would have to be held at another time during the year when a high-level attendance is more likely. The agenda of ECOSOC should be more focused and the representatives attending better matched with the subjects discussed. In addition, its format could be inspired by the formats of other multi-stakeholder discussions, such as the World Economic Forum.
8. The Development Cooperation Forum (DCF) is a promising attempt to hold discussions on pressing and possibly controversial issues in an informal environment conducive to building trust and without the pressure of having to negotiate an outcome. Provided that the DCF becomes more focused, it could serve as a blueprint for how ECOSOC as a whole could move forward. The preparatory work leading up to the 2010 session of the DCF did produce valuable reports with in-depth evidence and concrete examples on how to make development cooperation more effective.

IV. Global Economic Governance: Towards a more transparent interaction between the G-20 and the wider UN membership

9. The G-20 has established itself as premier center for global economic policy-making. This represents a challenge and a wake-up call for the UN. As outlined above with regards to ECOSOC, one way of responding to the creation of the G-20 would be to reform the UN in key areas of its mandate, so that major economies find the political interest to work within the UN framework. Another way would be to strengthen the economic competence of the UN, i.e. through the establishment of a Panel of experts on systemic risks whose mandate could be inspired by the IPCC.
10. There are also many ways to build bridges between the UN system and the G-20, some of which have been proposed by the 3G (Global Governance Group) in a letter (A/64/706) to the Secretary-General. These proposals include:
- a. Consultations between the G-20 and the wider UN membership through more predictable and regular channels before and after G-20 Summits;
 - b. Formalization of the participation of the Secretary-General and his Sherpa at G-20 Summits;
 - c. A “variable geometry” approach allowing non-G-20 States to participate in Ministerial gatherings and other working groups involving senior officials/experts on issues of specific concern to them.
11. The informal meetings in the General Assembly organized before and after the G-20 Summit in Seoul provide excellent models of how institutional links and dialogue between the G-20 and the UN can be strengthened. In order to formalize such meetings, which so far have been convened at the discretion of the President of the General Assembly, they could become a standing item on the agenda of ECOSOC, for example within the framework of the high-level spring meeting. This would make the high-level spring meeting more attractive.
12. The rise of the G-20, along with the increasingly important role of International Organizations¹ within and outside the UN system in carrying out mandates and studies on behalf of the G-20 for the preparations of G-20 Summits has become a challenge to existing legitimate governance arrangements. Given the growing agenda of the G-20, it is likely that the working relationships

¹ The International Organizations that support the G-20 process with the provision of technical expertise include the Financial Action Task Force (FATF), the Financial Stability Board (FSB), the International Monetary Fund (IMF), the World Bank and Regional Development Banks, the Organisation for Economic Co-operation and Development (OECD), the International Energy Agency (IEA) as well as entities of the UN System such as the Food and Agriculture Organization of the United Nations (FAO), the International Labour Organization (ILO), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Development Programme (UNDP) and the United Nations Office on Drugs and Crime (UNODC).

between the G-20 and International Organizations will both increase in quantity and intensify in scope. There is a risk that a governance structure of an informal nature is being created, with the G-20 shaping the priorities and defining mandates of the International Organizations in question in an unprecedented way.

13. In an effort to make the interaction between the G-20 and International Organizations more transparent, and in order to strengthen the formal governance arrangements already in place, the following recommendations aim to contribute to promoting transparency regarding the actions taken by the G-20 and to strengthening the governance of the International Organizations concerned:

- a. After every G-20 Summit, the G-20 should publish all prospective mandates to be carried out by International Organizations and include information on the nature and scope of the mandate as well as its objectives, resources and timeframe. These mandates should be in line with the strategic objectives of the International Organizations concerned;
- b. Governing bodies of International Organizations should receive regular briefings by their secretariats on the status of implementation of G-20 mandates;
- c. Studies carried out by International Organizations on behalf of the G-20 should be submitted to all their Member States. If appropriate, findings should be discussed with Member States in a timely manner;
- d. Secretariats of International Organizations should fully disclose the budgetary implications of G-20 mandates to their governing bodies. The G-20 should ensure that the necessary funding is provided for the accomplishment of these mandates and that cross-subsidization from core resources is avoided. If there is a funding shortfall, the respective governing bodies should decide on the next steps;
- e. Decisions relating to the governance, strategies, management and financing of International Organizations should be made in the respective governing bodies of the International Organizations in question.