



The President
of the
Economic and Social Council

25 March 2010

Excellencies,

1. I have the honour to append herewith my statement summarizing the discussions that we had during the Special High-Level Meeting between the Economic and Social Council (ECOSOC) and the Bretton Woods Institutions, the World Trade Organisation and the UN Conference on Trade and Development.

2. Clearly, in the interest of time and other practical considerations which require brevity, the summary is not able to capture in full the richness of the discussions that we had over the two days. The summary has been posted on the website of the UN Financing for Development Office. However, I thought that it would be worthwhile to bring it to your personal attention.

3. I am also taking the liberty to share with you some of my own personal reflections on the meeting:

In my opening remarks, I mentioned that my hope and expectation is for this meeting to foster closer relations between all of our organizations and institutions and in so doing, make a difference to those who are in urgent need of our collective help. By this measure, I believe that overall, the meeting can be considered a success. I hope that you would agree with this assessment;

Much of the success is attributable to the openness and quality of the exchanges that we had, which were positive and constructive in tone. Another important factor is that participants engaged in a truly interactive manner and within the allotted time. This clearly proves that we are all able to make good points in a concise manner. I must thank all of you for this and hope that this will set a welcome precedent for all similar meetings in the future;

To: (Please see attached list)

I am very gratified by the number of participants from Washington, Geneva and elsewhere. We had 26 Executive Directors, Deputy Executive Directors, Senior Advisors and senior officials from the World Bank and the IMF, as well as senior-level representations from UNCTAD and the WTO. Mention must also be made of the presenters and the quality of their presentations. I hope that all our guests benefited from this meeting in the same way that we have;

Again on a personal note, on more substantive matters, I noted that we could usefully engage further in at least the following areas:

- ✓ Establishing complementary statistics related to the achievement of the MDGs, such as statistics related to economic growth and progress achieved by countries emerging from difficult situations;
- ✓ ECOSOC's role in improving the interaction between the World Bank, IMF and WTO and members of the UN family. In this connection, I believe that the discussions that we had during the thematic debates could have been enriched with the greater participation of the UN's specialized agencies, funds and programmes. I will endeavour to improve on this in similar meetings in the future;
- ✓ Governance, at all levels, and how it relates to development. For example, we heard the idea of 'good development governance', which would focus on not only procedures, but also outcomes;
- ✓ Ongoing work related to reducing conditionalities and institutional reform;
- ✓ We should take advantage of the momentum gathered to improve interaction between our ag

Circulation list:

- i. All Permanent Representatives of Missions to the UN, New York

World Bank

- ii. Chair of the Development Committee
- iii. Dean and Executive Directors of the Executive Board
- iv. Special Representative to the United Nations

IMF

- v. Chair of the International Monetary and Financial Committee
- vi. Dean and Executive Directors of the Executive Board
- vii.

- 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.
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- 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

- 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.