

Substantive informal session: “Follow-up process”

Briefing Note

As noted in the Doha Declaration on Financing for Development and also discussed in the previous substantive informal sessions, the global context has changed significantly since the adoption of the Monterrey Consensus, and new challenges have emerged. Given the new global environment for Financing for Development, adapting and strengthening the follow-up process will be essential to ensure the implementation and monitoring of the Conference outcome.

Overview of the Financing for Development follow-up process

The final chapter of the Monterrey Consensus¹ comprises the general parameters and specific modalities for the follow-up to the Monterrey Conference. A leadership role in the process was assigned to the United Nations, with participation of and in collaboration with all relevant stakeholders, including the institutional stakeholders (the IMF, WB, UNCTAD, UNDP and WTO), civil society and the business sector.

This has been implemented through:

- Interactions between ECOSOC and the Executive Boards of World Bank and IMF, as well as representatives from WTO
- The annual spring meeting of ECOSOC with the World Bank, IMF, WTO and UNCTAD
- The biennial High-level dialogue of the GA on Financing for Development and related issues
- Participation of all relevant stakeholders, including civil society and private sector.

The outcome document² of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, held in Doha in 2008, contained four key messages for the follow-up process:

- The need to intensify the engagement of all stakeholders
- The need for a strengthened and more effective intergovernmental inclusive process to carry out the Financing for Development follow-up
- The decision to hold a UN conference at the highest level on the global financial and economic crisis³
- The decision to consider the need for a follow-up conference by 2013.

In 2012, the Secretary-General proposed three options for strengthening the Financing for Development intergovernmental follow-up⁴:

¹ <http://www.un.org/esa/ffd/monterrey/MonterreyConsensus.pdf>

² http://www.un.org/esa/ffd/doha/documents/Doha_Declaration_FFD.pdf

³ <http://www.un.org/ga/econcrisissummit/>

⁴ A/67/353.

- An incremental evolution of existing modalities. However, this option proved to be inadequate to address the significant decline in participation across all categories of stakeholders. It also proved challenging to keep up with changes in both the global context for development finance and other related processes, such as the Development Cooperation Forum.
- A new intergovernmental body. Proposals were put forward by the Secretary-General, various country groups, civil society and the business sector. However, there has not been political consensus on this option.
- Ensuring coordination and coherence with the intergovernmental process on sustainable development financing. This option was partly implemented. The 2012

Strong monitoring of commitments therefore forms the basis of international accountability. International organisations are in a good position to ensure independent monitoring of commitments and holding governments accountable for meeting or not meeting their commitments. Horizontal accountability can be strengthened through peer reviews, which should be exercised with equal rigour ('even-handed') for all Member States.⁵ Accountability is made even more complex in the context of partnerships that include all stakeholders. In particular, accountability of the private sector is not well-defined in this context, since private sector actors are ultimately responsible to their shareholders and to national laws.

id i ed(o e)4(ns)-1triiit gnti-2(unr)3(s)-1(.)-1ri of haou sd .010 98 (-)Tj 0.002[(he)4(c)5.011.47 (-)Tj 0

includes the institutional stakeholders (World Bank, IMF, UNCTAD, UNDP, WTO), as well as the private sector and civil society.

The framework of the follow-up process which will be decided on by Member States will have a significant impact on the success in implementing and monitoring the outcome of the third International Conference on Financing for Development, as well as the post-2015 development agenda.

Guiding questions

- 1. What are the main deficiencies of the current Financing for Development follow-up process? Why didn't its evolution over the past 12 years meet the expectations of Member States and other stakeholders?*
- 2. What measures should be taken to strengthen the Financing for Development follow-up process and accountability framework in light of the substantive challenges and changes to the global context since the adoption of the Monterrey Consensus?*
- 3. How can the contribution of the Financing for Development follow-up process to the implementation of the post-2015 development agenda be effectively enhanced?*