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The President
of the
Economic and Social Council

**ADDRESS BY THE PRESIDENT OF THE ECONOMIC
AND SOCIAL COUNCIL**

H.E. MS. SYLVIE LUCAS (LUXEMBOURG)

**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**

NEW YORK, 27 APRIL 2009

Mr. Secretary-General,
Excellencies,
Distinguished Delegates,
Ladies and Gentlemen,

I am pleased to welcome you to this 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.

I wish to extend my special welcome to Ministers, Executive Directors, high-level representatives and other senior officials from Member States, development, financial and trade institutions, as well as civil society and private sector participants.

This annual meeting of ECOSOC with the international financial and trade institutions is taking place at a very significant moment — a time when the world economy is undergoing immense turmoil. While the human cost of the current global economic and financial crisis is heavy in both developed and developing countries, the crisis has already seriously set back the development efforts of the poorest countries and increased the magnitude of the challenges faced by them. This year, the crisis could push another 90 million persons into poverty and leave more than a billion persons without enough to put food on the table.

If we are to prevent this global economic and financial crisis from becoming a large-scale human tragedy, its human impact must be addressed in a coherent and coordinated manner.

And even when this crisis is overcome, we will still be left with immense developmental challenges, including the target of achieving the goals set in the Millennium Declaration.

It is therefore essential to review the intergovernmental process to provide an effective follow-up to both the Monterrey and Doha conferences and to ensure that the policy commitments we all made in the Monterrey Consensus and in the Doha Declaration on Financing for Development are monitored and implemented.

Thus, while the theme of our meeting is “Coherence, coordination and cooperation in the context of the implementation of the Monterrey

Consensus and the Doha Declaration on Financing for Development”, we will be focusing on two issues, which I will introduce in greater detail later on, that is: “Addressing the impact of the global financial and economic crisis on development, including issues related to the international financial and monetary architecture and global governance structures” and “Strengthening the intergovernmental inclusive process to carry out the financing for development follow-up”.

I am hopeful our discussion will be most productive and that we will make full use of this forum which provides us with a first opportunity to have a truly inclusive multi-stakeholder dialogue on these issues of direct concern to all of us.

I am convinced that this meeting can provide a significant contribution towards achieving a coordinated, coherent and comprehensive response to the financial and economic crisis. In this context, I wish to remind you that the summary record of our discussion today will be transmitted to the President of the General Assembly for preparation of the draft final document of the United Nations Conference at the Highest Level on the World Financial and Economic Crisis and Its Impact on Development, to be held here in New York in early June.

I would now like to invite our Secretary-General, Mr. Ban Ki-moon, to address the meeting, thanking him warmly, on behalf of us all, for taking the time to be here.

We will now take up, in this more informal mode, the first of our two themes for today’s meeting: “Addressing the impact of the global crisis on development, including issues related to the international financial architecture and global economic governance”.

What began as a collapse of the US sub-prime mortgage market has quickly spread through global financial markets impacting the real economy and triggering a full-blown, global economic recession. Jobs are being lost everywhere at an alarming pace. Trade volumes are declining worldwide. International private capital flows have been sharply reduced. Effects of the crisis are compounded by vulnerability from earlier food and energy crises and accelerating trends of climate change.

The severe impact of this multidimensional crisis on developing countries in particular is clear. Decisive, coherent action has to be taken in order to help developing countries, which have limited resources to finance measures to blunt the economic downturn and to undertake essential investments in infrastructure, social programmes, employment creation. There is a risk that official development assistance may also be scaled down. It is therefore crucial that the resolution of this crisis focuses the attention of policymakers everywhere, including those principally concerned with development.

The note presented by the Secretary-General for our meeting today addresses these issues and contains pointed questions to stimulate our discussion on them. As emphasized in the note, it is imperative for the international community to take coordinated and coherent action to limit the impact of the crisis on developing countries. For example, while sustaining official development assistance and aid for trade levels, developed countries should ensure that their recovery programmes do not impose short-term and longer-term costs on developing and transition economies. At the same time, the pain of economic adjustment for developing countries should be reduced with an enhanced access to financing from the international financial institutions.

It is also important to agree on longer-term regulatory and institutional reforms that would aim to lessen the likelihood and impact of future economic and financial crises. In this regard, we should intensify discussion on a global system of financial regulation, based on credible, objective international rules. The world economy now needs credible, representative and effective mechanisms for macroeconomic coordination with governance structures that are duly representative of all countries' interests and that can exercise strong policy leadership. The note of the Secretary-General contains some recommendations in this respect. Others are mentioned in the recently released report by the President of the General Assembly's Commission of Experts on Reforms of the International Monetary and Financial System. Again others have already been taken up at the recent G-20 Summit.

I would now like to invite you to enter into a free-flowing and interactive discussion on this theme, taking full advantage of the fact that we have all the relevant stakeholders present in this forum, and to react to the suggestions and questions in the Secretary-General's note, and to other contributions to the discussion, if I may put it that way, for example, the presentations made by the representatives of the different institutional

stakeholders, the many very thorough analyses of the crisis put forward over the last weeks and months by various organizations and institutions, the measures decided upon at the recent G-20 Summit, the initiatives agreed upon by the United Nations System Chief Executives Board for Coordination, to name just a few.

Our second theme today is directly mandated by Doha. On that occasion, our Heads of State and Government acknowledged, and I quote, “the need for a strengthened and more effective intergovernmental inclusive process to carry out the financing for development follow-up, which would review progress in the implementation of commitments, identify obstacles, challenges and emerging issues and propose concrete recommendations and actions, taking into account various proposals that have been put forward”. They requested, and I quote again “the Economic and Social Council to consider this matter during its spring meeting and at its substantive session of 2009, in consultation with all relevant stakeholders, with a view to making appropriate and timely recommendations for final action by the General Assembly as early as possible in its sixty-fourth session”.

As I mentioned this morning, a strong intergovernmental monitoring and follow-up process is needed to address reform and development challenges facing developing countries. Strengthening the financing for development follow-up is furthermore essential to ensuring the fulfilment of the Monterrey and Doha commitments.

The Secretary-General’s note recalls the discussions held in this respect in the context of the Monterrey review process, the main criteria identified for a more effective follow-up process and the concrete proposals put forward thus far. Building on those proposals and ideas, the note suggests that a more effective and robust process for Financing for Development follow-up might have at its centre a multi-stakeholder “Financing for Development Committee”, which would replace both the Spring High-level meetings of ECOSOC with the international financial and trade institutions, and the biennial High-Level Dialogues of the General Assembly.

The agreed outcomes of both the Monterrey and Doha Conferences provide a benchmark that serves to mobilize policy efforts in all aspects of

the financing for development agenda. While there have been many important achievements during the period since Monterrey and Doha, the magnitude of the challenges facing developing countries remains immense and measures to resolve the present crisis, though paramount, will not, on their own, alleviate the conditions of desperate poverty under which a large segment of mankind lives. It is therefore all the more essential that we frame a strengthened, more effective, inclusive Financing for Development follow-up process.

I now invite you to tackle this second topic, again, in a truly interactive fashion, taking into account the ideas and questions proposed in the Secretary-General's note, as well as the comments made by other participants and stakeholders in the course of our debates, including ideas put forward by our Civil Society colleagues at the special event we held last Monday, 20 April, in this very Chamber.

As I have indicated in the past, I see our exchange of views today as the start of a process, an opportunity to collect and discuss various ideas and proposals. In the coming weeks, I will convene informal consultations with all relevant stakeholders on this important subject with a view to adoption by the Council, at its July substantive session, of appropriate recommendations for final action by the sixty-fourth General Assembly.
