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Held at Headquarters, New York,
on Monday, 27 July 1998, at 3 p.m.

President: Mr. CHOWDHURY (Bangladesh)
(Vice-President)

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IMPLEMENTATION OF GENERAL ASSEMBLY RESOLUTIONS 50/227 AND 52/12 B

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The meeting was called to order at 3.15 p.m.

IMPLEMENTATION OF GENERAL ASSEMBLY RESOLUTIONS 50/227 AND 52/12 B (continued)

Mr. DESAI (Under-Secretary-General for Economic and Social Affairs) noted that the partnerships between the Economic and Social Council and the Bretton Woods institutions had recently been further strengthened, as demonstrated by the coordinating and support role played by the latter at United Nations conferences. The United Nations and the World Bank had worked to support intergovernmental decision-making, promote interaction and increase efficiency. The Bank's support for the financing of the development process was reflected in a cooperative atmosphere which he hoped would continue.

Mr. AHMED (Associate Administrator, United Nations Development Programme) stressed that the report of the Secretary-General reviewing cooperation between the United Nations and the Bretton Woods institutions (E/1998/61) had presented a number of specific recommendations on how those institutions could effectively complement each other's action in the context of the priorities established by their respective member States. The report sought to be forward-looking, exploring ways to strengthen existing partnerships and better serve the needs of countries receiving support. The context for future cooperation would remain country-driven and guided overall by national priorities and objectives. In that regard, he wished to highlight some of the key findings of the review.

First, there had already been extensive collaboration in the past, which warranted greater appreciation, in each of the areas mentioned in resolution 50/227: the implementation of United Nations conferences, the collection and dissemination of data, analyses and reports, the use of existing resources in the transition from emergency relief to rehabilitation and development, the provision of technical assistance in the field, intergovernmental and secretariat consultations and policy dialogue. Second, the different mandates and rules of the Bretton Woods institutions and the United Nations bodies enriched policy and programme support at the country level in the areas of economic and social development. The goal must therefore be overall agreement

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on strategic objectives and a common understanding that all were moving towards the same goals while maintaining a healthy diversity of approach and policy choices. Third, although global policy and operational matters needed to be discussed and agreed upon at headquarters level, coordination was often best organized at the country level in response to precise governmental requests. The decentralization of decision-making authority and staff would undoubtedly further enhance cooperation initiated at the country level. Governments could also maximize the benefits of assistance programmes by encouraging and even insisting upon cooperation. Finally, the strengthening of the relationship between the United Nations and the Bretton Woods institutions should be based on the building of strategic partnerships which capitalized on each organization's intrinsic strengths, reflected shared goals and objectives and built upon existing achievements. Such strategic partnerships should also take into account capacity-building, which strengthened national ownership of the policy agenda and included all stakeholders.

The report concluded with a set of 17 concrete recommendations on strengthening collaboration at both the global and country levels, stressing collaborative initiatives which could be undertaken without creating elaborate new coordination mechanisms and which would contribute to the building of a constructive and productive partnership for the benefit of the countries served. The Council might wish to take note of the progress made in cooperation between the United Nations and the Bretton Woods institutions and encourage further collaboration along the lines suggested in the recommendations.

Mr. SFEIR-YOUNIS (Special Representative of the World Bank) said that the Bank had demonstrated its firm commitment to cooperation and partnership with the Council by participating in each and every Council session since 1997 and by continuing its direct collaboration with the Second Committee of the General Assembly on issues relating to the financing of development. He pointed out that the Bank had also participated in the April 18 meeting of the Council which, in his opinion, had been a landmark event and a major success.

The World Bank respected and valued the work of the Council and planned to significantly increase dissemination of the Council's findings to all levels of decision-making within the Bank. In that context, most of the recommendations of the joint review were being addressed, facilitating focus on a large number of cooperation-related issues raised in the Council.

He agreed with the 17 recommendations resulting from the joint review, which should make for effective development at the country level. The Bank had shared its views on almost all the recommendations with the Council, in the seminar series and through participation in the Second and Third Committees of the General Assembly. It had also participated in the United Nations workshop in Turin the preceding December focusing on the implementation of global conferences, which had led to better understanding of the views of United Nations staff and the resident coordinators. As follow-up, the Bank had been invited to speak at the orientation seminar for resident coordinators at the end of September 1997.

Three fundamental principles must be adhered to for effective implementation of the recommendations. First, cooperation agreements must reflect the real needs and priorities of the client countries. Second, since the countries themselves paid the costs of cooperation, the Bank and the United Nations, as trustees for those resources, must ensure that cooperation was cost-effective, maximized comparative advantage and respected the diversity of mandates within a set of commonly shared goals. That diversity was essential to attaining the development objectives, represented major insurance against a one-size-fits-all approach, and was the key ingredient of healthy dialogue and respect for other viewpoints. The essential role played by each organization's mandate in improving the effectiveness of the development process must be understood. Third, value systems should be reoriented to take into account the realities of the next millennium when defining different modes of cooperation; the economic realities facing developing countries could not be ignored and alternative forms of cooperation must take into account economic and financial value systems, as well as political, cultural, social, ethical, moral and spiritual values.

He strongly believed that in most areas effective cooperation was indeed taking place; tension and problems created by inter-institutional adjustments were a necessary condition and should be fully supported as an acknowledgement of the fact that major changes were under way in the paradigm of development, changes which were forcing all development institutions to adjust in an organic and a dynamic way. In the final analysis, the most fundamental ingredients to effective cooperation were leadership and mutual trust; technology, reports and meetings gained true meaning only when the human factor was the focus of

attention.

Mr. KHAN (Officer-in-Charge for ECOSOC Support and Coordination) said that the Council had made steady progress in enhancing the effectiveness of its working methods.

For the first time, in an effort to strengthen its oversight and management role, the Bureau had held joint meetings with the bureaux and the secretariats of the functional commissions. In order to ensure implementation by the United Nations system of the outcomes presented by the Council, the agreed conclusions of the high level and coordination segments for 1997 had been transmitted to all the functional commissions as well as to the specialized agencies, funds and programmes. For the substantive session of July 1998, the Bureau had instituted the practice of adopting an outcome at the end of each segment: a joint ministerial communiqué had, for example, been adopted by the Council at the end of the high-level segment, for the first time. The special high-level meeting held on 18 April 1998 with the Bretton Woods institutions, at which long-term development needs had received as much attention as immediate and short-term financial and monetary stability, had highlighted the Council's advantage as a forum for developing an integrated view of the social and economic aspects of policies.

At its May session the Council had held its first humanitarian affairs segment, thus establishing its oversight role in that important area. The review of the Council's subsidiary bodies had resulted in an agreement on specific measures to streamline and improve the working methods of the Council's subsidiary machinery and had been a major step forward in meeting desired outcomes.

The Council had also sought better communication with the regional commissions, and the executive secretaries of those commissions had been invited to New York for informal briefing sessions regarding the reform process in their respective commissions. It had intensified its relationship with the Advisory Committee on Coordination (ACC).

Following the informal consultations on the organization and working methods of the Council, it had been agreed that the issue of holding the various segments separately would be considered at a later date, taking into account the experience of 1998. With regard to the Council's managerial and oversight functions, organization of the general segment would need to be reexamined.

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Perhaps its main focus should be to provide guidance to the subsidiary bodies, paying greater attention to the linkages between their reports. A first attempt had been made by identifying the linkages between the outcomes of the functional commissions. Although the operational activity segment was well organized and functioned effectively, expectations in the area of providing guidance on cross-cutting issues, including resources, had not been met. On the other hand, consensus had been reached on a draft resolution on new reporting arrangements for the funds and programmes which should enable the Council to make further progress in that regard. The Council needed to further examine its interactions with the specialized agencies based on recent positive developments such as the panel discussions and global conference task forces.

He pointed out that the Secretary-General's report contained a number of recommendations which were intended to promote the process of revitalization, and he stressed the Secretariat's full commitment to supporting the Council's efforts.

Ms. SINGGIH (Observer for Indonesia), speaking on behalf of the Group of 77 and China, said that the Group of 77 and China realized that further in-depth discussion of some of those recommendations in the Secretary-General's report (E/1998/61) was necessary in the areas of cooperation which fell within the purview of the Bretton Woods institutions.

The high-level meeting between the Council and the Bretton Woods institutions in April had proved the value of the Council's coordinating role in addressing core economic issues; the recent Asian economic crisis, for example, had increased awareness of the need for global solutions to such problems. Her delegation was therefore of the view that since General Assembly resolution 50/227 provided a clear mandate for periodic meetings of that kind, continued efforts to organize such meetings must be encouraged.

Mr. MANZ (Observer for Austria) speaking on behalf of the European Union and the associate countries of Bulgaria, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romanian, Slovakia and Slovenia, said that the European Union considered that the proliferation of the subsidiary machinery of the Economic and Social Council had weakened the Council's role as instrument of overall guidance and coordination. It therefore attached great importance to the review process mandated in Resolution 50/227 and Resolution 52/12B.

It welcomed the streamlining of the Council's four priority bodies and

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hoped that the recommendations would ensure a better use of the potential of the functional commissions with responsibilities for following up on the United Nations conferences by focusing them on implementation of the conference results and monitoring progress. The review process should now be completed as soon as possible and an evaluation of the effectiveness of the new arrangements should be carried out in the year 2001.

Although progress had been made on the implementation of Resolution 50/227, the number of Second Committee resolutions should be further reduced and the Committee's working methods revised, reporting requirements needed to be simplified, and the agenda of the general segment of the Economic and Social Council's agenda should be streamlined.

The European Union attached particular importance to close collaboration between the United Nations system and the Bretton Woods institutions at Headquarters and, in particular, at the field level. Such collaboration should respect the relative competencies and make full use of the comparative advantages of each body.

With regard to the Development Dividend, the European Union welcomed the intention to use the funds for programmes focusing on global, interregional and regional issues with an emphasis on helping developing countries to implement commitments arising from United Nations conferences. However, activities should be sustainable, well conceived and guided by a bottom-up approach.

Mr. SHEN Guofang (China) drew attention to some of the elements of the Council's current review of its subsidiary bodies that deserved attention, noting that while a satisfactory rate of progress had been achieved in enhancing the efficiency of those bodies, time was required to test the new reform measures once they had been put in practice. He stressed however, that without adequate resources no reform plan could achieve the objective of revitalizing the role of the United Nations in the economic and social fields.

Mr. KOLBY (Observer for Norway) said that translating the mandates of the global conferences into operational activities in cooperation with Member States was a major challenge for the United Nations system. Strengthening coherence and coordination within the United Nations system would reinforce its relevance and impact.

The increased emphasis on dialogue during the Council's deliberations promoted understanding and, combined with the increased attention to cross-

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cutting issues and the follow-up to global conferences, helped to strengthen the Council's coordination role. The increased policy dialogue with the Bretton Woods institutions was also welcomed, but there was greater scope for cooperation with those institutions at the country level.

The inclusion of a humanitarian segment during the Council's substantive session reflected its recognition that the relevance and impact of the United Nations system was linked to its efforts to address global issues of concern to all populations. Nevertheless, the system's capacity to address major issues in the social and economic field needed to be strengthened. Efforts should focus on further reinforcing the linkages between the work of the Second and Third Committees of the General Assembly. The Council should be empowered to carry out its coordination role through measures such as improved reporting and stronger links between the funds and programmes and the specialized agencies as well as the Bretton Woods institutions needed to be developed. Lastly, more coherent country-level efforts should be based on a thematic approach and the establishment of the United Nations Development Group (UNDG) and the United Nations Development Assistance Framework (UNDAF) were important steps in promoting such an approach.

The motive for reforming and improving the United Nations system in the economic and social fields was to improve its relevance and impact. However, those goals could not be achieved without the necessary funding. Commitment to a strong and effective system should be coupled with increased resources from all members, according to their capacity.

Mr. Dae Won SUH (Republic of Korea) said that increasing the efficiency of the United Nations should ultimately lead to enhancing the overall impact and effectiveness of its development activities, provided that there was sufficient funding. Resolution 50/227 had provided a substantial impetus to revitalizing the United Nations role in development cooperation. Reform measures had helped to avoid duplication of activities and increased the Organization's relevance in meeting changing global economic and social challenges.

The agreement reached in the Council to reconfigure the four priority subsidiary bodies should increase the effectiveness and efficiency with which the United Nations dealt with areas such as natural resources, energy, science and technology. It was essential to harmonize the work programmes of the

Council's functional commissions to avoid overlap; the best practices of the commissions' working methods should be disseminated, and the Council should fully utilize its comparative advantage for cross-cutting issues and exercise its policy guidance role. The regional commissions should continue to be vigilant in responding to the changing needs of Member States, taking into account shifting economic and social trends and the changing regional and institutional landscape. Coordination should be strengthened among all the actors at the country and regional level. Holding separate sessions for specific themes would be a particularly useful way to enhance the effectiveness of the Council's coordination role.

In order for cooperation between the United Nations and the Bretton Woods institutions to achieve common objectives, concerted efforts should be made to enhance policy dialogue as well as to coordinate the respective operational activities at the country level. Moreover, in order to enhance complementarity efforts should be made to strengthen inter-agency consultation using the resident coordinator system. Furthermore, such efforts should be extended beyond the United Nations system to other actors such as the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD/DAC) and the regional development banks.

Mr. MARTÍNEZ-AGUILAR (Mexico) welcomed the consensus reached in informal consultations, in connection with General Assembly resolution 50/227, on the mandates and working methods of the Commission on Science and Technology for Development, the Committee for Development Planning, the Committee on New and Renewable Sources of Energy and on Energy for Development and the Committee on Natural Resources - otherwise known as the "Four Friends" - the functional commissions responsible for follow-up to United Nations conferences and summits, and the regional commissions.

The Mexican delegation believed that if the Council was to retain a unified perspective and its work was to be coherent, its substantive session must not be broken up or moved around.

Of the Secretary-General's proposals contained in report A/53/137-E/1998/66 the proposal for joint meetings of the Second Committee and the Third Committee seemed premature in light of the provisions of resolution 50/227 on coordination between those main committees.

However, Mexico supported the recommendation on strengthening cooperation

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between the Council and the Bretton Woods institutions in light of the success of the first high-level meeting they held in April 1998: cooperation between the United Nations and those institutions must be strengthened in order to deal with the adverse effects of volatility in the financial markets, formulate macroeconomic policies that incorporated social development priorities and coordinate the activities of the various organizations in the United Nations system working on development.

Ms. LINDE (United States of America) welcomed the consensus that had emerged from the informal consultations on measures to streamline the "Four friends" and the regional and functional commissions, make their output more useful and encourage coordination and complementarity among them. However, more needed to be done to make those bodies, and the Council itself, more effective and efficient.

However, the United States delegation would have preferred to see the United Nations Conference on Trade and Development (UNCTAD) take on the responsibilities of the Commission on Science and Technology for Development, and believed that the Committee on Development Planning should be converted into an ad hoc panel of experts.

The United States welcomed the attention being given by the Secretariat to the Development Account issue, but had reservations about whether the information technology concept outlined in report E/1998/81 was the most advantageous approach for the beneficiaries of Development Account funds: although the proposed projects complemented existing United Nations work in the development field, the United States believed that they were being given too high a priority and thought that a country-level approach might maximize the return on investment. Indeed, the Secretariat should demonstrate that each proposal contained in report E/1998/81 met the criteria outlined by the Secretary-General in paragraph 3 of document A/52/848.

The United States delegation strongly supported the recommendations in report E/1998/61 on strengthening cooperation between the United Nations and the Bretton Woods institutions, and would also support a reprise of successful exchanges such as the first high-level meeting between the Council and the Bretton Woods institutions of April 1998.

Mr. GERUS (Belarus) supported the proposals for further reform stemming from the informal consultations on streamlining the Council's

subsidiary bodies, particularly those on revitalizing the work of the functional commissions with harmonized multi-year programmes of work, annual reports on prospects for strengthening cooperation on conference follow-up work prepared by the Secretariat and regular coordination meetings between the Council's Bureau and the bureaux of the functional commissions.

The Belarus delegation supported also the recommendations arising out of the review of the work of the regional commissions on increasing their role in system-wide conference and summit follow-up work. It believed that the regional commissions could act as catalysts in implementing international recommendations at the regional level by developing effective mechanisms for cooperation with the United Nations Development Programme (UNDP) and the relevant specialized agencies.

However, in imposing demands on the regional commissions, the Council should remember that the regional commissions were in a very difficult situation, with far-reaching reforms under way and a lack of financial resources. The effect of the transformations in the regional commissions must on no account be cutbacks in their activities but rather a strengthened capacity for cultivating effective international cooperation in the economic and social areas. In that connection, he noted that the Economic Commission for Europe had almost doubled its membership during the 90s while its funding had remained practically unchanged. The other regional commissions were also having financial difficulties, and he expressed the hope that the situation would be rectified at least partially in the draft budget for the 2000-2001 biennium.

Belarus welcomed the first high-level meeting of the Council with the Bretton Woods institutions in April 1998 because, although it was well known that the International Monetary Fund (IMF) and the World Bank were not charitable institutions, the resources they could deploy could also provide essential support for United Nations efforts to promote development world wide. Information exchanges and closer cooperation between representatives of the Bretton Woods institutions and the resident coordinator system at the country level would accelerate the process of expanding cooperation with them, but further thought was needed on how to make United Nations/Bretton Woods system-wide cooperation a regular feature.

Mr. KITAZAWA (Japan) said that Japan had supported reinvesting savings from United Nations reforms in development programmes ever since Prime Minister

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Hashimoto advocated doing so at the Lyons summit in 1996. Japan had subsequently supported also the Development Account concept. Projects using Development Account money would symbolize the usefulness of the United Nations, and they should be given wide publicity together with the Account: the United Nations should strengthen the support and understanding it received from the international community by demonstrating that it was implementing reforms and that they had tangible results.

Japan supported the general thrust of the information technology project proposals in report E/1998/81 because information technology was vital for development and for developing countries' participation in globalization of the world economy. The Council must therefore think about how to apply the new technologies to promoting development. His delegation took the view that an integrated project to create global networking for development might be more worthwhile than those recommended: even though the rubric was "networking for development", the suggestion on the table was that each organization would implement its project independently.

His delegation singled out the research network for global policy analysis as particularly important because of its role in capacity-building and promoting good governance as part of development. While it welcomed the role of information technology in that project too, he noted the omission from the on-line development centre project proposal that preceded it of a clear explanation of the structure and function of the centre and enough information on which to base an estimate of funding requirements. More details would be needed before the proposals could be discussed in the main committees, including information about how data would be made available to project participants.

Japan welcomed the joint exploratory review of cooperation between the United Nations and the Bretton Woods institutions (E/1998/61) and encouraged further joint reporting on the subject.

Mr. PANKIN (Russian Federation) said that although his delegation welcomed the reform proposals on reorganizing the work of the General Assembly and the Council and the interactions between the various subsidiary bodies, including the Second and the Third Committees, there were still some gaps and progress had been limited in some areas. In that connection, he associated himself with the views expressed by the Republic of Korea to the effect that implementing new initiatives should not be rushed: the tasks set out in General

Assembly resolution 50/227 must be finished first.

The Russian delegation welcomed recent developments in the Council's work such as the first high-level meeting with the Bretton Woods institutes in April, but opposed any fragmentation of the Council's substantive sessions: the current arrangement was the best, on the understanding that special meetings or sessions would be convened as necessary.

His delegation welcomed also the reforms connected with the work of the "Four Friends" and welcomed the progress in the informal consultations.

He described the joint exploratory review of cooperation between the United Nations and the Bretton Woods institutions (E/1998/61) as a breakthrough and welcomed the emphasis in the report on strategic approaches to long-term goals. The high-level meeting in April had identified areas where joint efforts needed to be stepped up, and for the future the format and timing of such meetings should be more carefully chosen: there should be a focus on themes or events of interest not just to the United Nations system and the Bretton Woods institutions but to the international community as a whole.

Ms. FAHMY (Observer for Egypt), with reference to the report on utilization of the development dividend (E/1998/81), expressed support for the statement by the representative of Indonesia speaking on behalf of the Group of 77 and China.

The Council was in breach of the Charter in general and General Assembly resolution 52/235 in particular by discussing an issue, the Development Account, that should properly be handled as section 34 of the programme budget by the General Assembly through the Committee for Programme and Coordination (CPC), the Second Committee and the Fifth Committee.

She supported the suggestion by the representative of Japan that the Secretariat should provide more information pursuant to General Assembly resolution 52/235 concerning the allocation of financial resources under section 34 of the programme budget so that the CPC, the Second Committee and the Fifth Committee could take informed decisions before the General Assembly resolved the matter fully.

Mr. MAROOF (Pakistan) noted that the report of the Secretary-General on the utilization of the development dividend (E/1998/81) had been prepared in accordance with paragraph 6 of General Assembly resolution 52/235, in which the Assembly had requested the Secretary-General to submit proposals on the use of

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the funds available under a new section 34 of the programme budget for the biennium 1998-1999. His delegation would reserve its substantive comments on the report for a later stage.

Mr. HANSON-HALL (Observer for Ghana), supported by Mr. ENRICO (Argentina) and Mr. RAVOU-AKII (Observer for Vanuatu), said that the Secretary-General's report should first be considered by the appropriate intergovernmental bodies.

Ms. DULCE BUERGO (Cuba) said that the Council should refrain from giving its views on the report of the Secretary-General until such time as the General Assembly decided on the criteria which should govern the utilization of the Development Account.

Ms. SINGGIH (Observer for Indonesia), speaking on behalf of the Group of 77 and China, asked how the Bretton Woods institutions in general and the World Bank in particular dealt with the issue of linking human rights and development, since human rights did not fall within the purview of the Bretton Woods institutions. She also wished to know what steps were being taken to strengthen the relationship between the senior staff of the United Nations and the Bretton Woods institutions within the framework of existing aid coordination mechanisms.

Mr. MANZ (Observer for Austria) strongly supported the Secretary-General's recommendation that the United Nations and the Bretton Woods institutions should work increasingly with the Development Assistance Committee of OECD in the elaboration and use of standard socio-economic indicators for monitoring progress and that country-level cooperation in social indicators and monitoring should be emphasized. Given the need for country-level specificity on the one hand and for the coherence of global indicators on the other, it would be useful to know how comparative advantages could be developed by the United Nations and the Bretton Woods institutions based on country-level realities and how the development of such advantages could fulfil the need for the holistic and comprehensive provision of services. He would also welcome additional information on the value system to which the Special Representative of the Bank had referred earlier.

Mr. SFEIR-YOUNIS (Special Representative of the World Bank) said, with reference to the mainstreaming of human rights in the activities of the World Bank, that the Bank was fully cognizant of the link between human rights and

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development and used its comparative advantage to create an enabling environment for the implementation of human rights. It viewed the improvement of public services, eradication of poverty and mainstreaming of gender concerns as the foundation not only of civil rights but also of the right to development and, to that end, it was prepared to collaborate with other United Nations agencies in operational programmes in those fields.

To illustrate the collaboration between the United Nations and the World Bank at the resident coordinator level, he pointed out that senior staff from the United Nations and the Bank, including resident coordinators, attended seminars and workshops designed to enhance coordination in the field. The Bank's technical assistance was increasingly managed on a decentralized basis through an increased number of country offices. Expansion in the field, however, provided the opportunity for streamlined interorganizational coordination mechanisms to ensure synergy and to avoid overlap.

The linking of global and country-level indicators was another key issue. His own experience was in the field of sustainable development and poverty where success in the achievement of global goals was determined by the success of country-level programmes. The Bank was prepared to assist developing countries as well as other institutions in elaborating appropriate criteria for the measurement of progress in that field.

It was essential to adopt a holistic approach to coordination by mainstreaming environmental and gender concerns into projects in the planning stages rather than as add-ons after a project was completed.

Lastly, with regard to value systems, it was important to recognize that the paradigms upon which development choices had been made in the 1960s, 1970s and even the 1980s had changed. In pursuing their reforms, development institutions must therefore take due account of the paradigm shift.

The meeting rose at 5.30 p.m.