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Special high-level meeting with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development

Summary record of the 7th meeting

Held at Headquarters, New York, on Monday, 24 April 2006, at 2.45 p.m.

President: Mr. Hachani . . . . (Tunisia)

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The meeting was called to order at 2.55 p.m.

Briefing on the High-level Panel on United Nations System-wide Coherence in the Areas of Development, Humanitarian Assistance and Environment
(E/2006/48 and Corr.1)

1. **Ms. Jacoby** (Observer for Sweden), briefing the Council in her capacity as Director-General for Development Cooperation, Ministry of Foreign Affairs, and member of the High-level Panel on United Nations System-wide Coherence in the Areas of Development, Humanitarian Assistance and the Environment, said that the Monterrey Consensus, the Millennium Declaration, the Millennium Development Goals, the Johannesburg Plan of Implementation and the 2005 World Summit Outcome had shown that there was unprecedented consensus on the goals to be met, which made greater coherence both possible and necessary.

2. There was also consensus on the need to support nationally owned strategies. It was therefore necessary to enable the United Nations to provide support to deal with the substantial increases in official development assistance (ODA), which had surpassed $100 billion, and to carry out an ambitious agenda. The United Nations clearly had a unique role to play in such an environment. It had been a crucial instrument for analysis and advocacy and had an unequalled network for the coordination of development efforts as well as a unique capacity for peacekeeping, peacebuilding and humanitarian assistance.

3. The first Panel meeting had covered a wide range of issues, including predictable, sustainable and long-term funding, the need for a coherent and effective United Nations system and the governance of that system by the Member States. The major responsibility for system-wide coherence rested with the Member States themselves.

4. There was a need to define a vision of the role of the United Nations system in development and to equip it accordingly. Country ownership was a key to the attainment of successful and sustainable development results. Given its wealth of experience and expertise, the United Nations should focus on providing the best possible support to national programmes by developing country capacity and building on best practices. In addition, the international community must strengthen and empower the resident coordinators at the country level with a view to enabling the United Nations to display unity of purpose and procedure.

5. Cross-cutting issues such as gender equality, human rights and the environment must be addressed appropriately to ensure effective results. Efforts must be made to ensure that commitment and expertise in those areas genuinely permeated all United Nations activities and were mainstreamed into development decision-making.

6. The Panel would be consulting with the Member States and relevant institutions at the Council session in Geneva. There would also be country-level consultations and theme-based meetings. The Panel would submit its recommendations to the Secretary-General in September. Its aim would be to promote greater coherence and achieve greater impact in the pursuit of internationally agreed development goals, including the Millennium Development Goals.

Reports by the Chairpersons of the Round Tables

7. **Ms. Viotti** (Brazil), Director-General of Humanitarian and Social Themes, Ministry of External Relations, speaking as Chairperson of Round Table A, said that Round Table A had focused on the implementation of and support for national development strategies towards the achievement of internationally agreed development goals, including the Millennium Development Goals. Statements had been made by Professor Jeffrey Sachs, Director of the United Nations Millennium Project, and Mr. Lee Kyu-hyung, Vice Minister for Foreign Affairs and Trade of the Republic of Korea. The former had maintained that the International Monetary Fund (IMF) should be more proactive in helping to secure international development financing and working together with the finance ministers of donor countries to fill the gaps between the current level of ODA and the needs of the countries concerned. He had also stressed that the IMF and the World Bank should ensure that countries' programmes were consistent with achievement of the Millennium Development Goals. The Vice Minister for Foreign Affairs and Trade of the Republic of Korea had emphasized the crucial role of human resources, in particular education and job training, in the achievement of the Goals. Many countries had offered examples of their own national strategies, stressing the importance of human resource development, in pursuing the Goals.

8. The first half of the Round Table had been devoted to a discussion of national strategies and the promotion of employment. The second part had focused on the support of the international community, ODA and innovative sources of finance for domestic efforts to achieve the Millennium Development Goals. The participants had put much emphasis on country-owned national strategies.

9. Sound macroeconomic policy frameworks remained central to mobilizing domestic resources and attracting external financing. Many considered that there was a need to identify major roadblocks to development and ways to increase aid. Some of the participants had argued that countries should build on existing strategies rather than develop new ones. Various elements should be integrated in one simple and clear document. Support had been expressed for the memorandum of understanding between the United Nations Development Group (UNDG) and the World Bank on incorporating the Goals into poverty reduction strategy papers.

10. Some representatives of civil society had stressed that people should be at the centre of development policies. Some also had expressed the view that fiscal space should be enhanced rather than constrained. Many believed that the Council had a role to play in engaging more effectively with international finance and trade institutions to promote coherence and to support national development strategies. Some saw a need to shift from extrabudgetary funding to regular budget funding and to improve public finance management. Several believed that donors should align aid with developing countries' priorities. It had been suggested that there should be a multi-year funding in order to ensure that aid was predictable.

11. Concern had been expressed that political commitments to increase ODA levels had yet to materialize and that debt cancellation was taking a long time to implement. Many participants had said that more needed to be done to increase the volume and improve the quality of ODA. Reference to the Paris Declaration on Aid Effectiveness had been made with respect to coherence and harmonization of donor policies; further work should be done in that regard.

12. It had been stressed that ODA must be predictable, stable, long-term and coherent with national priorities to enable countries to plan their strategies. It was also felt that efforts were needed to facilitate the flow of aid from private sources, including foundations, NGOs and workers' remittances. The Council might have a role to play in that regard.

13. Many believed that the work on innovative sources of financing should continue. It had been argued that such sources of finance should support national development strategies, supplementing but not substituting for ODA. Reference had been made to the importance of pursuing ongoing pilot projects such as air ticket solidarity contributions, the International Finance Facility for Immunization and the humanitarian lottery to free children from hunger proposed by the World Food Programme. Lastly, concerning employment, it had been felt that implementing the International Labour Organization (ILO) agenda, with its focus on decent work, and integrating the goal of decent work in poverty reduction strategy papers would help generate employment and improve labour conditions.

14. **Mr. Deutscher** (Executive Director, World Bank), speaking as Chairperson of Round Table B, said that the Round Table had discussed aid for trade and the next steps to be taken for fulfilling the development dimension of the Doha work programme. All the participants had welcomed the aid for trade initiative, which would need to include compensation to developing countries for adjustment costs. It had been repeatedly stated that aid needed to complement rather than replace trade. Aid for trade should also be implemented without conditionalities and should respect the principle of country ownership of the development process. There was concern that aid for trade might be diverting attention from the Doha negotiations. Aid for trade should provide stable, predictable, non-conditional financing for capacity-building and trade-related infrastructure. It must be calibrated to individual country needs. Cooperation among all stakeholders and a coherent approach would be crucial for the success of aid for trade. Aid for trade should integrate trade into planning at the national level and be aligned with national priorities.

15. There had been much discussion of the Integrated Framework for Trade-Related Technical Assistance to least developed countries, which should be an integral part of policies. Aid for trade, however, should not detract from the core development agenda of the Doha negotiations; rather, it should support trade liberalization. There was likely to be an increased

amount of ODA available in future to support aid for trade. Such financing, however, should not divert attention from the benefits of improved market access.

16. The task force on aid for trade should take a wider view, to include adjustment costs and compensation. Eliminating the subsidies in developed countries could produce far greater benefits than aid for trade. In that context, the establishment of a global fund was not considered necessary. There must, however, be appropriate incentive for the private sector to expand trade.

17. The views of the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Development Programme (UNDP) needed to be incorporated in the design of aid for trade. The reform of the Council must take into consideration relations with the Bretton Woods institutions, the World Trade Organization (WTO), UNCTAD and other stakeholders, as well as the need for coherence, transparency, monitoring, accountability and evaluation. The Council should assess the instruments available to developing countries to support the development of trade.

18. The importance of meeting the deadlines for negotiating modalities for agricultural and non-agricultural market access had been emphasized, since trade represented a larger potential contribution than ODA. Agriculture was one of the most important components of the Doha Round negotiations, since it represented the largest potential gain for developing countries. There had been some controversy over the issue, however. The distortions of free trade created by subsidies and restrictions in the agricultural sector could not be compared to tariffs applied by developing countries on industrial goods.

19. Some participants had urged that South-South cooperation to increase trade among developing countries should be further explored, as it could bring significant benefits to many. Such cooperation existed in Asia but was lagging behind in Latin America and Africa. Services also represented an important potential gain, including business and labour services. Although policy space played an important role in providing benefits, it was not the only development dimension of the Round. There had been, however, a divergence of views on that topic. The impact of preference erosion needed to be taken into account. Quota and duty-free access for the least developed countries should be extended to all potential exports, with transparent and minimal non-tariff regulations.

20. **Mr. Kiekens** (Senior Executive Director, International Monetary Fund), speaking as Chairperson of Round Table C, said that insufficient growth, poor policy management, inappropriate investments and borrowing on inappropriate terms had led to unsustainable debt. On a more positive note, highly concessional long-term debt was not considered a factor.

21. Participants had agreed that debtors and creditors were jointly responsible for avoiding unsustainable debt in the future. It was crucial that countries should develop policies to promote growth which, in turn, required good governance, appropriate regulations, the stimulation of investments, adequate aid flows and fair trade negotiations. Appropriate debt management and responsible lending by creditors were also critical. In that regard, there was some concern that non-concessional lenders could emerge as free riders. Finally, it had been agreed that the countries which were the most vulnerable to debt shocks should receive grants rather than additional loans.

22. The international community needed to conduct a more accurate analysis of the risks of debt distress and develop policies to minimize such distress in the future. The debt sustainability framework of the International Monetary Fund (IMF) and the World Bank was focused on that particular issue, and creditors and debtors were urged to develop their debt management policies around that framework. It was also important to take into account not only the amount of debt forgiven but also the debt-servicing payments forgiven. It was the release from debt service year after year which gave new spending power to countries.

23. With respect to the financial aspects of debt relief operations, including the Multilateral Debt Relief Initiative (MDRI), it had been concluded that debt relief should take the form of additional aid. The recent increase in ODA numbers was partially explained by one-off debt relief operations and, for that reason, there was a risk that the numbers would decline. Nevertheless, there had been an improvement in sustained ODA to poor countries and all donors were encouraged to respect their commitments in that area.

24. Representatives of third world countries and Latin America, in particular, had called for more equitable debt relief and more flexible implementation

of the Heavily Indebted Poor Countries (HIPC) Debt Initiative and the MDRI. They had also requested that the MDRI should be extended to include the Inter-American Development Bank.

25. With respect to middle-income countries, some participants had expressed their dissatisfaction with existing frameworks such as the EVIAN approach, which concentrated on restructuring rather than relief and did not distinguish between liquidity and solvency. It was noted that innovative sources of finance, such as debt equity swaps, could play a critical role in providing additional financing. The private sector had called for greater transparency in debt management so that private creditors could make informed decisions in extending credit and assuming risk.

26. The emerging market countries that granted loans to poor countries were encouraged to report their lending operations to the Development Assistance Committee of the OECD. In that way, the international community would have more accurate data on the debt status of poor countries, particularly with respect to the accumulation of new debt.

27. **Ms. Pajín** (Spain), Secretary of State for International Cooperation, speaking as Chairperson of Round Table D, said it had been stated in the Round-Table discussion that a number of middle-income countries had problems similar to those of poor countries, such as poverty, inequality, social issues and external indebtedness. They were also vulnerable to external financial shock and macroeconomic instability. Their problems needed to be assessed on a case-by-case basis and international assistance should be based on their specific needs.

28. The United Nations, the international financial institutions and bilateral donors needed to develop international support instruments that mitigated the problems of middle-income countries and accelerated growth, while taking into account the needs of lower middle-income countries. It was also important to provide special financial support for the poor in developing countries and to develop subnational financial instruments to assist poorer regions in middle-income countries. Macroeconomic stability in middle-income countries needed to be enhanced through measures that reduced risks and increased space for counter-cyclical policies.

29. South-South cooperation needed to be strengthened in the areas of trade, finance, research and technology development. The developed countries were urged to facilitate South-South cooperation and to support triangular cooperation.

30. The need to enhance the level of private capital to finance infrastructure in middle-income countries had been emphasized. Private finance could be mobilized through international organizations, the development of debt markets and the establishment of public-private partnerships, provided that strong regulatory frameworks were in place.

31. Policies that promoted the development of the private sector were important in reducing poverty. In particular, there was a need for an enabling business environment, transparency and good governance. Technical assistance to improve governance and strengthen social protection was also required. Finally, it was important to strengthen the voice and representation of middle-income countries in multilateral institutions, including at the management level.

Statements by representatives of civil society and the business sector

32. **Ms. Kaara** (Ecumenical Programme Coordinator for the Millennium Development Goals, Africa Conference of Churches), said that the Monterrey Consensus had recognized financing for development as an important mechanism in achieving the goal of shared and equitable development. Four years later, the implementation of the Monterrey Consensus remained a fervent hope rather than a reality. More than 1.5 billion people lived in abject poverty and nearly 550 million people were classified as the working poor. According to the *Report on the World Social Situation 2005*, access to jobs was essential for overcoming inequality and reducing poverty, yet much of the developing world had experienced high and even rising unemployment.

33. The civil society organizations maintained that lack of political will had hindered the development agenda. In adopting the Copenhagen Declaration on Social Development and the Programme of Action of the World Summit for Social Development, national Governments had committed to eradicating poverty, achieving full employment and combating social exclusion and gender inequality. However, it appeared that they lacked the political will to implement the necessary national development strategies. In addition,

there was a lack of political will on the part of the developed countries to restrain international financial institutions and afford national Governments the policy space needed to implement their development strategies. The Monterrey Consensus had recognized that trade agreements must complement and support debt reduction strategies and the provision of overseas aid. Once again, lack of political will had resulted in a failure to meet commitments.

34. In the area of trade, participants expressed concern that the Doha Development Round might be usurped by free trade agreements and enforced trade liberalization. With regard to debt, they had stressed the importance of developing effective debt arbitration mechanisms so that the burden of debt workouts would be evenly shared between debtors and creditors.

35. In conclusion, sustainable development and the Millennium Development Goals could not be achieved without a transparent and democratic process that monitored the implementation of national development strategies. The Council needed to ensure that trade and financial policies did not continue to undermine its role as the body entrusted to secure cooperation, coordination and coherence in the United Nations system. The financing for development process and its office at the United Nations must be given adequate resources to fulfil their mandate. The establishment of an executive committee for that process was needed to provide political leadership and impetus in garnering the political will required to move the process forward.

36. **Mr. Saxena** (Chief Executive Officer, INVESCO Private Capital) said that successful entrepreneurship led directly to job creation and rising incomes. While venture capital currently constituted less than 5 per cent of investment by institutions, it created wealth for investors, required no handouts or tax breaks, and was a substantial creator of jobs.

37. Infrastructure was certainly one problem that could be resolved through the application of the venture-capital mechanism and access to debt markets. He urged middle and lower-income countries to find access to debt markets, which were indispensable to financing infrastructure. Debt markets could provide the mechanism for finding more efficient ways to provide subsidies or tax relief than outright grants of cash, which were subject to mismanagement. Debt markets worked well with private-public partnerships, and he urged low- and middle-income developing countries to seek out their nationals knowledgeable in debt markets in order to learn more about them. Committees convened by the Prime Minister of India had contributed to a dramatic increase in foreign direct investment and the flow of money to venture-capital funds in that country over the past two years and provided an example that everyone could follow.

Exchange of views among participants

38. **Mr. Kim** Hak-Su (Economic and Social Council for Asia and the Pacific (ESCAP)), speaking on behalf of the regional commissions, said that while progress in achieving the Millennium Development Goals varied among and within regions, subregions and even countries, a certain momentum was nonetheless apparent, thanks to increasingly focused attention at the country level and to the prospect of enhanced support from the international community. It was essential to undertake new policy initiatives to sustain and deepen that momentum.

39. He stressed the need for periodic regional assessment of implementation, with emphasis on lessons learned and the sharing of experiences. Collaboration within the United Nations system with regard to regional reports on the Goals prepared in 2005 had important implications for Goal-based national development strategies. The third such regional report for the ESCAP region was in preparation. ECA, the African Union and UNDP had recently organized an African Plenary on National Strategies for Poverty Reduction and Implementation of the Millennium Development Goals in Cairo. That meeting had underlined the need for a new generation of poverty reduction strategies supported by more external resources, trade and investment and with increased attention to infrastructure development. Meanwhile, the ECLAC ministerial session in Uruguay in March 2006 had emphasized the need to harmonize social rights agendas and financing requirements, in the light of the need to expand competitiveness and strengthen integration into the world economy.

40. He noted the increasing need to strengthen and promote regional infrastructures to sustain growing interregional trade, investment, South-South cooperation and cooperation for development. Infrastructural needs encompassed both physical infrastructure and facilitation processes. At its Ministerial Meeting in Indonesia in April 2006, ESCAP had considered a major study on upgrading regional

infrastructure and the financing needed to do so and had mandated further work on strengthening regional cooperation in trade, tourism and a trans-Asian railway network. ESCWA had also been promoting a number of instruments to forge cooperation in the areas of transport and communication networks for meeting the emerging development challenges in the region.

41. Infrastructure development and harnessing the surplus resources available in all the regions were also important for the development of middle-income developing countries. In that regard, public-private partnerships offered useful lessons and experiences, which the regions could share with each other. Another important area of work for the regional commissions was the establishment of transport and communication linkages between regions and continents in order to further support development processes.

42. The regional commissions wholeheartedly endorsed the view of WTO that “Aid for Trade” was increasingly necessary and that solutions could come only through working with others. While it was highly important that the Doha Round of negotiations should create significant trade opportunities for the developing countries, many of those countries would be unable to take advantage of any opportunities without developing the needed capacity. The regional commissions had been working with WTO and UNCTAD to organize training and information-sharing events to facilitate the implementation of the trade agreements. He also stressed the importance of membership in WTO for developing countries in all regions and noted that in recent years the regional commissions had been actively facilitating WTO accession and integration into the global economy for those countries.

43. **Mr. Pfanzelter** (Austria), speaking on behalf of the European Union, the acceding countries and the European Free Trade Association countries members of the European Economic Area, said that the European Union and the countries aligning themselves with his declaration were strongly committed to the timely implementation of the Monterrey Consensus of the International Conference on Financing for Development, together with the Millennium Development Goals, and strongly welcomed the endorsement by the 2005 World Summit of the commitments on development assistance and the need to accelerate progress with respect to the Millennium Development Goals, aid effectiveness and debt relief, and to address the special needs of Africa. They also welcomed the Summit’s unanimous acknowledgement of the Millennium Development Goals as the international framework for development, together with the Monterrey Consensus and the Johannesburg Plan of Implementation.

44. The European Union was well on the way to meeting its 2002 commitments to increasing aid volumes by 2006, eventually resulting in an additional €20 billion ODA annually and representing an intermediate step towards achieving the United Nations target of 0.7 per cent by 2015. Current EU aid to developing countries amounted to about €64 billion, representing about 55 per cent of total world aid. Commitments made in 2005 would make an additional €20 billion available by 2010, but more rigorous attention to the effectiveness of that spending would be required. Aid effectiveness was already a major feature of the European Union’s development policy, as stated in the European Consensus on development agreed in Brussels in December 2005. Improvement in the quality and effectiveness of aid had to proceed in parallel with increases in the quantity of aid; that entailed action and commitment on the part of recipient countries as well as donors. Improvement was also needed in governance, both in developing countries and globally, in order to strengthen accountability for resource use and for development outcomes. Monitoring governance could help to clarify options for scaling up assistance and could support broader efforts to strengthen transparency and accountability at both the national and global levels.

45. The European Union recognized the importance of efforts in the fields of trade and debt relief and considered that the Doha Development Agenda was a major opportunity for development potential and an opportunity not to be missed. The Union remained dedicated to its objectives of creating genuine new business opportunities in agricultural and industrial products and services, particularly in developing countries; contributing to development; and strengthening multilateral rules, notably in trade facilitation. It was fully committed to meeting the 2006 negotiations deadline for the Doha Development Agenda.

46. For developing countries to reap benefits from trade liberalization, it was essential for them to mainstream trade into their development strategies and overcome supply constraints to business and trade,

especially weak regulatory frameworks and unfavourable business environments. The preservation of the financial viability of the International Development Association and the African Development Fund remained a key priority for the European Union, and he called on all donors to honour their commitments to fully finance the Multilateral Debt Relief Initiative (MDRI). The European Union remained committed to finding solutions to unsustainable debt burdens and welcomed the timely deliberations of the Development Committee. It was vital to address multilateral debt as well as the long-term debt sustainability of low-income countries, given that some poor countries remained in debt distress situations or had returned to unsustainable debt ratios despite no longer technically qualifying as highly indebted.

47. The European Union had expressed deep concern over the lack of progress on the Millennium Development Goals in sub-Saharan Africa, and was examining options for additional action to advance the development process. In that context, it welcomed the report of the Commission for Africa underlining the central importance of the New Partnership for Africa's Development (NEPAD) as an Africa-owned strategic framework to address the development challenges of the continent. It also welcomed the World Bank's Africa Action Plan and viewed with interest the launch of the Africa Catalytic Growth Fund. Citing Europe's own experience as illustrating the benefits and potential of gradual regional cooperation and integration and stressing the example of NEPAD, he called for stronger regional cooperation among developing countries, and recognized the region's progress in consolidating democratic principles, good governance and respect for the rule of law and human rights. Recalling the €11.5 billion annual support accorded to Africa by the Union and its member States, he particularly encouraged efforts to improve the quality of governance, including those leading to greater accountability, transparency and control of corruption in a strengthened public sector.

48. **Mr. Cho** Hyun (Republic of Korea) said that the importance of trade in attaining economic growth could not be overemphasized, but there was a need to find ways to provide developing countries with incentives to participate in global trade liberalization. The proposals made at the Uruguay Round negotiations a decade previously had proved inadequate. Now there were high hopes for negotiations on the current Doha Development Agenda, but their outcome remained uncertain. Against that backdrop, the spread of bilateral free-trade agreements in recent years was worrisome in that such agreements were ill-suited to the needs of most developing countries. He therefore reiterated the importance of a strengthened global trading regime, as well as his country's strong support for a successful conclusion of the Doha negotiations.

Concluding comments and closure of the special high-level meeting

49. **The President** said that innovative approaches and new ideas to advance the development agenda had been put forward. Building on those ideas in the United Nations, the Bretton Woods institutions, the World Trade Organization, UNCTAD and other international forums was a task that should involve all the stakeholders of the Monterrey Consensus. Citing the need to start exploring ways in which the result of the dialogue could lead to a greater impact, he said that he would initiate consultations with all stakeholders on ways to follow up on key concrete recommendations emerging from the discussions.

50. The current world economic outlook remained on the whole satisfactory. Significant risks remained, however, owing to persistent global financial imbalances and the possibility of continuing volatility in energy prices. A substantial coordinated effort was needed by key players to achieve a smooth unwinding of the global imbalances to avoid a disruption in the world economy. Also, the fact that negotiating parties had made only modest gains in some of the areas being negotiated, while in several areas of interest to developing countries there had been no significant advances, was a major concern. Indeed, decisive progress towards fulfilling the development dimension of the Doha work programme had been lacking, particularly for agricultural products. In that context, there was a critical need to muster the political will to succeed in achieving a satisfactory agreement at the earliest. Also, aid for trade was of great importance; for many developing countries, it was viewed as a complement but not a substitute for the successful implementation of the outcome of the multilateral trade negotiations.

51. Nationally designed development strategies were important instruments for making development objectives explicit and identifying priorities for action.

Full ownership and policy space were central to actual implementation. A "bottom-up approach" in designing development strategies was needed. Well-designed national development strategies were key to mobilizing and coordinating international cooperation and pointing out poverty eradication goals, including the Millennium Development Goals, and related measures. Alignment was an important feature of effective international cooperation in the context of the interface between objectives and policies, domestic actions and international financial cooperation, and the role of technical assistance. Implementation of the recommendations of the Paris Declaration on Aid Effectiveness was another important related issue in the discussion. Finally, the useful role of and progress in implementation of innovative financing sources to offer needed additional, long-term, predictable resources had been noted.

52. Regarding support for the development efforts of middle-income developing countries, two major topics had received special attention: the stability of the world economy and international finance, and the international cooperation policies that might have a significant impact on such countries. With regard to the former topic, there was a need for renewed efforts to enhance the international financial architecture; regarding the latter, participants had stressed the need for special financial support targeting the poor within those countries, as well as the role of multilateral development banks as a source of long-term capital to step up infrastructure investments. Of special interest was the generous offer of the Government of Spain to organize, with the Department of Economic and Social Affairs, a conference on middle-income developing countries.

53. On the debt issue, positive steps had been taken to finance the multilateral debt relief of HIPCs, but for other countries excessive debt was still preventing acceleration of development and jeopardizing the achievement of the Millennium Development Goals, thus necessitating additional measures on the debt relief front. Some had suggested that the EVIAN approach should go beyond restructuring and tackle debt relief issues, while others had pointed out that a durable solution to the debt problem required enhanced debt management and analysis. It was recognized that by focusing on debt sustainability, UNCTAD and the Bretton Woods institutions were making an important contribution in that respect.

54. Finally, the decision of the International Monetary and Financial Committee to discuss the issue of fair representation for all members reflecting the important changes in the weight of countries in the world economy had been welcomed by several participants. He looked forward to a successful conclusion of those negotiations in Singapore.

The meeting rose at 4.40 p.m.