

# **ECONOMIC AND SOCIAL COUNCIL (ECOSOC)**

## **Statement**

**By**

**H.E. Ambassador Ivan Simonovic**

President Of The Economic And Social Council

**at the**

**International Conference on Financing for Development**

Monterrey Mexico

18TH - 22nd March 2002

Distinguished Co-Chairs,

Excellencies,

Dear Colleagues,

The eyes of the world are watching us in Monterrey, with hope and expectations. At the outset, let me briefly share with you my concerns regarding the present stage of achievements in the implementation of the United Nations Millennium Declaration goals: We are lagging behind and we have not been doing enough. Instead of blaming each other - which is not an uncommon reaction to our lack of success in this task - our message from Monterrey must be clear and simple: We must all invest more efforts and we must cooperate more efficiently.

We are lagging behind for all those who are already victims of poverty, who are not provided food or elementary health assistance, or who do not have a chance for education, simply because they are too poor. Of course, "others" have not been doing enough. Official Development Aid is decreasing instead of increasing, and scarce national resources and foreign aid are not being used in the most productive manner. There are trade barriers and there is corruption. It is obviously true that "others" are not doing enough, but a productive starting point for our Monterrey dialogue should be the acknowledgement that we - whoever that means - are most likely not doing enough, as well. Furthermore, we are not cooperating and coordinating our efforts sufficiently.

This behavior, which shamed us in the 20th Century, is totally inadequate and unacceptable for the 21st Century - the Century of global interdependence. In the 21st Century, sharing benefits of globalization by all is a fundamental prerequisite for peace and security and well being, not only for the developing countries and countries in transition, but for the developed countries as

well. A world in which 80% of global income ends in 20% of the pockets is neither just, nor stable.

We started well, by accepting the Millennium Declaration goals. But now data clearly indicates that we are failing to implement them. At the Millennium Summit, promises were made at the highest level: now it is the credibility of our states and governments that is at stake. Monterrey should represent a turning point for all - not by lowering our targets - but by committing ourselves to more efforts and better cooperation.

In this respect, there are grounds for moderate optimism. The preparatory process of this Conference driven by an impressive collective effort has already achieved considerable advances both in the substance of the Monterrey Consensus and in the way these advances came about.

On the substance, let me just mention some of the key achievements in the Consensus.

First, its agreement on efforts for an increased and more effective participation of developing countries and countries with economies in transition in international economic decision-making and norm-setting. Second, welcoming the consideration of an international debt work-out mechanism engaging debtors and creditors to restructure unsustainable debt in a timely and efficient manner. Third, its support to increased concessionality of development financing, greater use of grants and a set of measures to significantly reduce the transaction costs of aid.

Lastly, its call to strengthen international tax cooperation.

As to the process, from the beginning, preparations have seen an unprecedented involvement of all key stakeholders. Member state delegations have devoted greater attention to financing for development issues, recognizing their centrality in the global development agenda. Diverse communities, such as finance, trade, development cooperation and foreign affairs ministries have worked together like never before. The United Nations, the Bretton Woods Institutions, World Trade Organization and other international organizations mobilized to prepare the conference, set aside differences and joined forces in order to make progress. Civil society and the private sector have joined the discussion, sharing their own perspectives and putting forward bold ideas and initiatives.

Of course, Monterrey is not an end in itself but just a beginning. Much remains to be done to ensure implementation of agreements on principles, including in the areas I mentioned. Underlying the call for 'staying engaged' in the Monterrey Consensus - is the need to build on the co-operation developed in the preparatory process among all stakeholders, including the United Nations, the Bretton Woods Institutions and WTO. Monterrey will put the Economic and Social Council at the forefront of these efforts. With its annual policy dialogue with heads of financial and trade institutions, the Council has provided the innovative forum where a climate of trust and co-operation among institutions has been developing over the years.

The ECOSOC spring meetings with the Bretton Woods Institutions have provided another important platform for dialogue and interaction. They have added value by promoting greater understanding, trust and coherence in the thinking and perspectives of policy-makers in the financial field and the broader development and social spheres.

It is therefore a most welcome decision to use this platform to serve as the forum for the follow-up to the Conference. In a month, ministers, the UN and the Bretton Woods Institutions will meet with ECOSOC in New York to "address issues of coherence, co-ordination and co-operation" in keeping with the great spirit of cooperation and inclusiveness that guided the conference preparations. Interactions between representatives of ECOSOC and directors of the executive boards of the Bretton Woods Institutions and WTO, will ensure that the impact of the spring meetings is maximized.

The Council, as a high-level policy forum and the central UN system coordinating body, is conveniently suited to play its part. It can - and I firmly believe that with your support it will - stimulate international efforts to make our financial, trade and economic actions and systems more supportive of the Millennium Declaration goals. The Council will keep the General Assembly informed on our international economic development cooperation to achieve the Millennium goals.

Your Excellencies,  
Ladies and Gentlemen,  
Dear Colleagues,

The belief that the pursuit of development is inseparable from the pursuit of peace, has underpinned the Council's holistic approach to development for some time. Its discussions on Africa last year are a good example. The Ministerial Declaration adopted in July, emphasized the importance of efforts to integrate peace and development, and called for a coordinated and comprehensive approach by all partners to support economic growth, reconstruction and recovery, peace-building and the promotion of good governance.

I have made it an objective of my presidency that the Council contributes better to integrated approaches to peace and development and cooperates more efficiently with the other principal organs of the UN. The Council will discuss this issue during its upcoming substantive session and devote its coordination segment to the strengthening of ECOSOC.

We have a great responsibility today to make the outcome of this conference a success. It is a precondition for the success of the Johannesburg summit and for the progress towards achieving the Millennium Goals.

Let us justify the expectations of so many needy around the globe, who are watching us here in Monterrey with hope.

Thank you.