

Secretary-General calls on governments to gear up aid outlays, as UN ambassadors prepare to host finance ministers and development decision makers 18 April

(NEW YORK, 15 April) A full day of discussion at the United Nations next Monday constitutes an important opportunity for finance ministers to consider foreign aid outlays in a multilateral and inter-institutional context, prior to the summit taking place at the UN in September, UN officials say.

In a note prepared for the 18 April meeting of finance and development ministers, central bankers, Executive Directors of the Bretton Woods institutions, leaders from the major international trade institutions and delegations belonging to the UN Economic and Social Council (ECOSOC), the UN Secretary-General repeated his call for rapid increases in official development assistance and measures to front load aid, as a means to meet the Millennium Development Goals set at the year-2000 Millennium Summit.

The full range of areas covered by the 2002 International Conference on Financing for Development – trade, aid, investment, debt, international financial systemics and mobilization of resources in the developing countries – will be under discussion during Monday's plenary meeting and at late-morning informal roundtable discussions.

Opening remarks will be delivered beginning at 9:30 am on 18 April by UN Secretary-General **Kofi Annan** and by Ambassador **Munir Akram** (Pakistan), the president of ECOSOC.

The 54-member UN body will be hosting finance ministers flying in from Washington, D.C., at the conclusion of the 16-17 April International Monetary Fund/World Bank Spring meeting, including Development Committee Chairman **Trevor Manuel**, the finance minister of South Africa. The Chair of the International Finance and Monetary Committee will be represented by **Augustin Carstens**, the Deputy Managing Director of the International Monetary Fund. Besides Mr. Manuel and Mr. Carstens, **Mary Whelan**, chair of the Trade and Development Board of UNCTAD, will address the morning session, following the UN speakers. The WTO will also participate in the meeting.

Concerns on financing for development

The Secretary-General's note brings up the need for effective macro-economic coordination among countries, given that massive global imbalances have not yet been corrected by the sharp decline in the US dollar. Moreover, the potentially destabilizing effects of these imbalances are causing developing countries to build up costly reserves as a form of self-insurance. The problem was exacerbated when the IMF's Contingent Credit Line was allowed to lapse.

Concern is also expressed in the note from the Secretary-General about progress on bringing developing countries into decision making positions at the Bretton Woods

institutions (the World Bank and International Monetary Fund), and norm-setting agencies such as the Basle Committee and the Financial Stability Forum.

There is good news that official development assistance (ODA) is growing, according to new data released this week by the Organization for Economic Cooperation and Development. But ODA needs to be stepped up in order to meet the MDGs, according to the UN Secretary-General. The same point was driven home by the World Bank's *Global Monitoring Report*, issued 12 April.

Also endorsed is the need for "development-friendly liberalization" of international trade, through successful conclusion of the Doha negotiations.

Input to the September Summit

At the conclusion of the meeting, ECOSOC President Akram will issue a summary of the proceedings. The results of the 18 April meeting will be forwarded to the High-level Dialogue of the General Assembly on Financing for Development, which will take place in New York in late June. Discussion of the Millennium Development Goals at the June ECOSOC meeting in turn is considered to be a critical input to decision making at the September Summit at the UN, which constitutes a review of the year-2000 Millennium Declaration.

Reporters without UN press credentials who wish to attend the 18 April ECOSOC meeting from 9:30 – 10:30 am, or from 2:45 pm on, should fax a letter of assignment to 1-212-963-4642, and follow-up with a call to the UN Media Accreditation Unit at 1-212-963-7164.

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