

Executive Committee on Economic and Social Affairs
43rd Meeting
21 December 2006 (9.00-11.00 a.m.)
New York

Participants:

Chair: **Mr. José Antonio Ocampo**

DESA: José Antonio **Ocampo**
 Patrizio **Civili**
 Jomo Kwame **Sundaram**

ECE: Paolo **Garonna**, Deputy Executive Secretary

ECLAC: Marta **Mauras**, Deputy Executive Secretary

ESCAP: Kim **Hak-Su**, Executive Secretary

ESCWA: Atif **Kubursi**

UNCTAD: Dirk **Bruinsma**, Deputy Secretary-General, UNCTAD

UNEP: Werner **Obermeyer** , UNEP New York Office

UN-Habitat: Axumite **Gebre-Egziabher**, Direct, UNCTAD New York Office

UNDP: Alison **Drayton**

UNDGO Sally **Fegan-Wyles**

OSAA: Patrick **Hayford**, Director

OHRLLS: Anwarul **Chowdhury**, Under-Secretary-General and High Representative

UNITAR: Catharina **Goldschmidt** (for Colleen **Thouez**)

RC-NY: Kazi A. **Rahman**
 Amr **Nour**

Priority clusters focal points

Macroeconomic & Fin:

Robert Vos
Manuel Montes

Sustainable Dev & HS:

Peter Mak
Juwang Zhu

Advancement of Women:

Sylvie Hordosch

Statistics:

Stefan Schweinfest

Governance and Inst. Building

Guido Bertucci

DESA

Nikolai Zaitsev
Martin Kraus
Teresa Lenzi

ECESA Secretariat

Marion Barthelemy
Yukie Hori

Executive Committee on Economic and Social Affairs
43rd Meeting
21 December 2006 (9.00-11.00 a.m.)
New York

Minutes

Conclusions and Next Steps:

- **All thematic clusters are encouraged to undertake another round of consultations on the programme budget proposals of ECESA entities for the 2007-2008 biennium, based on the actual outputs submitted to the Controller.**
- **Principals endorsed 23 proposed projects for the Development Account for inclusion in the budget fascicle on the Account.**
- **It was decided that the first cross-sectoral theme for consideration by ECESA in 2007 will be “South-South cooperation.” The next Principals’ meeting, to be held in February, will discuss ways for the UN system to provide stronger and more coherent support to advance South-South cooperation. Interested ECESA entities were requested to provide ideas and inputs for a paper for that discussion.**
- **In line with a previous decision to review, at each ECESA meeting, the activities of a cluster, the next Principals meeting will review the work of the Trade Cluster. The Trade Cluster was invited to hold a consultation to prepare for that discussion.**
- **DESA will circulate a concept paper clarifying ECOSOC’s new functions, and an outline of events related to ECOSOC programme of activities for 2007-2008. ECESA entities will be called on to contribute to regional as well as national preparations for both the Annual Ministerial Reviews and the Development Cooperation Forum.**
- **Principals agreed to pursue consultations, within ECESA, on the follow-up to relevant recommendations of the High-level Panel on System-wide Coherence.**

Summary of discussions

1. Programmatic coordination in the context of the preparations for the programme budget for 2008-2009

(a) Outcome of the review by ECESA thematic clusters of programme proposals

The Meeting reviewed the state of consultations within ECESA clusters on the programme budget proposals of ECESA entities for the next biennium. As was the case for the previous two biennia, these consultations have proved useful in raising awareness of each other's planned activities, and in identifying opportunities for joint work. The Meeting noted, at the same time, that the breadth and depth of these consultations varied significantly from cluster to cluster. Moreover, no cluster had yet undertaken consultations on the basis of the actual programme budget proposals submitted to the Controller. At the Chair's suggestion, the meeting agreed that clusters would be encouraged to conduct another round of consultations based on the actual submissions to the Controller. He will be informed that the submissions from ECESA entities might be further adjusted in light of these further consultations.

(b) Proposed list of projects to be funded from the Development Account

The Chair recalled that the Development Account was in its 10th year of operation and had proved useful in many respects, including in advancing a culture of collaborative work among ECESA entities. 23 short-listed projects had now been selected for the 6th tranche, from 76 projects initially submitted to the Programme Manager of the Account. The selection was preceded by extensive consultations with all concerned entities. The proposal reflects a broad range of activities and the strong commitment of EC-ESA entities to collaborate. It includes 6 joint projects, and 17 projects which involve some collaboration among two or more entities.

It was noted that the Fifth Committee was currently in the process of identifying additional resources for the Development Account. Should additional resources for the 6th tranche be provided, ESCWA requested that consideration be given to including a project on global road safety, and ESCAP proposed to expand funding for the project on migration, so that each region may be in a position to develop and implement appropriate activities in this area.

As the Fifth Committee has requested a report on the impact of Development Account projects for submission to the next GA session, all executing agencies were invited to give special attention to their progress reporting to the Programme Manager.

Principals endorsed the list of 23 projects for inclusion in the 2008-2009 programme budget proposal for the Development Account.

2. ECESA's work in 2007

At their last meeting, Principals agreed that ECESA annual work programme would include a series of reviews of selected substantive issues cutting across the thematic clusters' work. It was also decided that, at each meeting of Principals, a discussion will be held on work progress and challenges of one selected cluster.

The Chair proposed the selection of South-South cooperation as the first substantive theme to be considered by ECESA in 2007. Principals agreed to this proposal. It was noted that this would serve, among other things, to strengthen ECESA's contribution to the new ECOSOC Development Cooperation Forum. It was agreed that all interested entities would prepare inputs to guide consideration of the matter at the next Principals' meeting in February. The Chair suggested that the presentation of Dr. Supachai at the High-level Panel on South-South Cooperation be circulated as background paper for this purpose. UNCTAD offered to do so.

Principals also concurred with the Chair's suggestion that the ECESA's reviews of the work of selected clusters begin in February with a discussion on the activities of the Trade Cluster. UNCTAD, as the Cluster's Chair, was requested to lead the preparation for this discussion.

3. UN reform

(a) ECOSOC

The discussion focused on the preparations for the first annual Annual Ministerial Review and the biennial Development Cooperation Forum, and their relevance for ECESA's work. The Chair explained that, exceptionally, the first two sessions of DCF will be held in consecutive years (2007 Geneva, 2008 New York), after which the Forum will be held biennially in New York. The theme for the first AMR will focus, in all likelihood, on MDG1, i.e. the Millennium Declaration targets on the eradication of extreme poverty and hunger. Negotiations on the matter have, however, not yet concluded.

The Chair emphasized the desirability of coordinating preparations for the DCF, which would concentrate on ODA in all its dimensions, with preparations for two other processes that will take place in 2008, namely UNCTAD XII and the follow-up to the Monterrey Conference on FfD. He recalled, in this connection, that ODA was only one of many commitments made at Monterrey. Monterrey topics that had not been sufficiently emphasized so far included regional financial cooperation, the agenda of the multilateral development banks, and monetary and trade issues.

The Director of the Office for ECOSOC Support and Coordination briefed the meeting on the resolution on 'Strengthening of the Economic and Social Council (61/16), adopted by the GA on 20 November, as a follow-up to the agreement reached at the 2005 World

Summit to strengthen ECOSOC as the main policy body of the UN for economic, social and related issues. The most important features of the resolution related to the AMR and the DCF. Also addressed in the resolution were ECOSOC's role in supporting and complementing international efforts aimed at addressing humanitarian emergencies and the Council's interaction with the Peace Building Commission.

During the negotiations, delegations had constantly stressed the multi-stakeholder character of the DCF. An analytical report will be prepared for the DCF, drawing on inputs from all partners. Following the adoption of the resolution, a number of Member States have flagged their interest in hosting DCF preparatory meetings, and all are keen to involve civil society and the private sector.

The focus of the AMRs will be on progress towards the MDGs, which should, however, be approached in the wider context of the IADGs—the wider development agenda emanating from the UN conferences and summits. Member States will be able to contribute with national voluntary presentations (so far Bangladesh, Ethiopia, and Barbados flagged their interest). ECOSOC resolution 61/16 envisaged a strong role for the Regional Commissions in relation to the AMRs, and DESA was discussing with the New York Office of the Regional Commissions arrangements for possible preparatory meetings in Asia, Latin America and Africa. Timing and possible host countries will be determined with full involvement of the Regional Commissions. The current priority was to finalize agreement, during the month of January, on the theme of the first AMR.

The Chair noted that the DCF will provide an opportunity to focus at the same time on donor coordination in the context of the new aid architecture that is evolving, and on developing countries' management of aid flows, and to provide a platform to exchange country-level experiences, particularly as regards "country ownerships". How aid flows fit in with the countries' parliamentary processes for budget approval was an important issue in this regard, which had not so far been adequately studied. ECA and ESCAP could pay particular attention to these topics given their involvement with a large number of LDCs.

OHRLLS considered that national voluntary presentations at the AMRs will be a key element of the effort to strengthen the relevance of the Council. OHRLLS suggested engaging the Resident Coordinators in promoting countries' participation in the exercise.

UNDP remarked that reporting on progress towards MDGs at the country level was becoming increasingly problematic, and that the multiplication and use of different indicators were making comparability of data increasingly difficult. The Chair commented that there was a well-established and well-functioning interagency working group on MDGs indicators, and stressed the need to avoid duplication. UNDP referred to the forthcoming integration of the Millennium Project in the UNDP poverty group, and indicated that it looked forward to partnering with DESA and the Regional Commissions in support of the AMRs. This could be further discussed at an upcoming ECESA meeting.

UNDGO stressed the importance of the DCF pursuing the aid effectiveness agenda from a country-level perspective. While donors were actively engaged in advancing that agenda, the developing countries' perspective and voice were too often lost. In the same context, UNDGO referred to pilot project initiatives on aid effectiveness being initiated in Bangladesh and Ethiopia.

ESCAP reiterated that the role of the Regional Commissions in supporting the newly established AMRs and DCF will be crucial. ESCAP was working closely with UNDP at the country level on MDGs progress reporting. Specific inputs from the Regional Commissions into the AMRs should include regional syntheses of national reports, and analytical reports focusing on issues such as the increasing disparities being witnessed within fast-growing countries. ESCAP also stressed the importance of the IFIs participating at the highest level in the DCF. ESCAP was considering hosting, during its 63rd session in Almaty (May 17-23), a regional Ministerial meeting/conference for Asia and the Pacific, focusing on progress towards the MDGs and the provision of an integrated package of services to support their implementation.

ECLAC saw the need for a concept paper clarifying ECOSOC's new functions and mapping out related events for 2007-2008, including major events taking place outside the UN.

The Chair agreed to circulate some notes on the new ECOSOC processes, including a road map with regard to the AMRs and DCF, and on preparations for the Monterrey+6 review.

(b) The High-Level Panel on UN System-wide Coherence

The Chair recalled that the Secretary-General had transmitted the Panel report to the GA President. Informal discussions among delegations on the Panel's recommendations were already underway. A more organized process of intergovernmental consultations will be initiated early in the New Year, and there were expectations that the new Secretary-General would convey to the Assembly his own views on the Panel's recommendations. Inter-agency consultations had also been initiated within CEB, focusing on recommendations that could be carried forward without necessarily awaiting for intergovernmental action on the whole of the Panel's report.

UNDGO confirmed that the Secretary-General had asked Mr. Dervis to move forward on the implementation of certain recommendations by the High-level Panel, for which enabling legislation already existed, such as the recommendations concerning the launch of a number of "One UN" pilot projects at the country level. That initiative was open to all members of the UN system. So far, eight countries had asked to be considered for the pilot projects: Albania, Cape Verde, Mozambique, Pakistan, Rwanda, Tanzania, Uruguay and Vietnam. Mr. Dervis was seeking the Secretary-General's guidance in making a final decision in the selection of pilot countries. The selected countries would also take part in a larger initiative (fourteen countries) intended to focus on cooperation with non-resident

agencies. Follow-up to related recommendations of the Panel, such as those concerning common country-level budgets, would require further legislation. Meanwhile, the establishment of joint offices was well underway and 20 such offices were expected to be set up by the end of 2007.

Moving to other recommendations of the Panel, UNDGO noted that the creation of the proposed Development Policy and Operations Group (DPOG) was mainly in the hands of the Secretary-General, while the creation of the proposed Sustainable Development Board would require new legislation. With regard to the proposed DPOG, Mr. Dervis' preliminary view was that a large 35-member group at the Heads of Agency level was not very manageable, and that it would be more effective for the Group to operate through smaller thematic groups focusing on providing guidance to UN country teams on major substantive issues. Such thematic groups could focus, for instance, on environmental protection (led by UNEP), decent work (led by ILO), or policy and analysis (led by DESA). The structure would be largely decentralized, with different organizations hosting thematic the group they would lead. The themes to be discussed and the roles to be played by members would, of course, have to be agreed upon by the whole of DPOG.

The Chair said that his understanding of the focus of the DPOG's mandate was on country-level coherence, including how best to link policy analysis and development with operational activities. Its scope was system-wide. The Secretary-General was yet to express a view on coordination mechanisms related to analytical and research work within the UN itself.

ESCAP said that the Panel report was fairly balanced and provided useful recommendations towards a more coherent UN system. The report's analysis of the regional dimension could however have been stronger. The recommendation to establish a Development Policy and Operation Group under the Chairmanship of the UNDP Administrator as the UN Development Coordinator was noteworthy. In pursuing it, it should be borne in mind that the coordination of UN's global analytical and normative work is a function of the UN Secretariat. ECESA had served as an important mechanism to support and advance this process and its role should be seen in this context. The distinct status that UNDP, DESA, and other ECESA entities, including the Regional Commissions, have, and the distinct roles they play in the development process, should be taken into account in building new coordination mechanisms. Member States will need to be further consulted on the matter. Indeed, in recent regional intergovernmental consultations in the region, reference was made to a risk that the UN development agenda would come to be driven by donor interests, rather than the needs and priorities of the developing countries .

UNDGO noted that Mr. Dervis would be chairing DPOG as the Development Coordinator and that UNDP will not lead on all topics. For instance, on economic analysis DESA and the Regional Commissions would be better placed to take the lead. UNDP would focus on overseeing the functioning of the whole machinery.

ESCWA referred to a growing trend to shift funding from the regular budget to non-core contributions, and expressed concern that some of the reforms being contemplated could lead to a loss of valuable expertise for the developing countries. ESCWA will put these concerns in writing.

In pursuing its own reform processes, and as part of the preparations for UNCTAD XII, to be held in Ghana in April 2008, UNCTAD was reviewing the recommendations of the Panel, including at the intergovernmental level. The consultations underway were addressing how to increase coherence in development cooperation, and, at the same time, how to reinforce UNCTAD's role in development. A strengthening of UNCTAD's work on South-South and regional cooperation, linking energy issue to market access, ways to improve the investment climate, and a renewed focus on science and technology (the latter being a possible special topic for UNCTAD XII) were among the issues currently under discussion. UNCTAD's preparations for UNCTAD XII will fully involve the whole of the UN family. The main theme for the Conference will be decided by April 2007.

The Chair asked the Regional Commissions and other ECESA members to transmit ideas about the Panel recommendations follow-up, so that they may be taken into account in the consultations on the matter that he expected to resume in New York at the beginning of the New Year.

Habitat suggested that the Interagency Expert Group on the Millennium Development Goal Indicators should be fully utilized in the preparatory process for the AMRs and that it would be most useful to have information related to the AMRs to be regularly posted on a dedicated web-site.
