

**Draft text of the MONTERREY CONSENSUS,
prepared by the Co-Chairpersons, with the assistance of the Facilitator**

**I. CONFRONTING THE CHALLENGES OF FINANCING FOR
DEVELOPMENT: A GLOBAL RESPONSE**

1. We, heads of State and Government, gathered in Monterrey, Mexico, on 21-22 March 2002, have resolved to address the challenges of financing for development around the world, particularly in developing countries. Our goal is to eradicate poverty, achieve sustained economic growth and promote sustainable development as we advance to a fully inclusive and equitable global economic system.

2. Mobilizing and increasing the effective use of financial resources and achieving the national and international economic conditions needed to fulfill internationally agreed development goals—including those contained in the Millennium Declaration to reduce poverty, improve social conditions and raise living standards—will be our first step to ensuring that the 21st century becomes the century of development for all.

3. After the September 11 terrorist attacks, the global economic slowdown deepened—affecting developed and developing countries, further reducing growth rates, and with them, prospects for better living standards. It has now become all the more urgent to enhance collaboration among all stakeholders to promote sustained economic growth and to address the long-term challenges of financing for development. Our resolve to act together is stronger than ever.

4. Each country has primary responsibility for its own economic and social development, and the role of national policies cannot be overemphasised. At the same time, domestic economies are now interwoven with the global economic system, and national development efforts need to be supported by an enabling international economic environment.

5. In the increasingly globalizing interdependent world economy, a holistic approach to the interconnected national, international, and systemic challenges of financing for development in all parts of the globe is essential. Such an approach must open up opportunities for all, help to ensure that resources are created and used effectively, and that strong, accountable institutions are established at all levels. To this end, collective and coherent action is needed in each interrelated area of our agenda, involving all stakeholders in active partnership.

6. Recognizing that peace and development are mutually reinforcing, we are determined to pursue our shared vision for a better future, through our individual efforts combined with vigorous multilateral action. Upholding the United Nations Charter and building upon the Millennium Declaration values, we commit ourselves to promoting a global economic system, based on the principles of justice, equity, democracy, participation, transparency, accountability and inclusion.

¹ Text in bold type indicates that there is no convergent language offered

II. LEADING ACTIONS

Mobilizing domestic financial resources for development

7. In our common pursuit of growth, poverty eradication, and sustainable development, a critical challenge is to ensure necessary internal conditions for mobilizing domestic savings, both public and private, to sustain adequate levels of productive investment and increasing human capacity. A crucial task is to enhance the efficacy, coherence, and consistency of macroeconomic policies. An enabling domestic environment is vital for mobilizing domestic resources, reducing capital flight, encouraging the private sector and attracting and making effective use of international investment and assistance.

8. Good governance is essential for sustainable development. Sound economic policies and solid institutions are the basis for sustained economic growth, poverty eradication, employment creation and improved infrastructure. Freedom, peace and security, conflict prevention and resolution, domestic stability, respect for human rights, including the right to development, and the rule of law, market-oriented policies, and an overall commitment to just and democratic societies, are also essential and mutually reinforcing.

9. We will pursue appropriate policy and regulatory frameworks at our respective national levels to encourage public and private initiatives, including at the local level, and foster a dynamic and well-functioning business sector, while improving income growth and distribution, empowering women, and protecting labour rights and the environment in a manner consistent with national laws. We recognize that the appropriate role of government in market-oriented economies will vary from country to country.

10. Fighting corruption is a priority. Corruption is a serious barrier to effective resource mobilization and allocation and diverts resources away from activities that are vital for poverty eradication and economic development.

11. We recognize the need to pursue sound macroeconomic policies aimed at high rates of economic growth, full employment, poverty eradication, price stability, and sustainable fiscal and external balances. Governments should attach priority to avoiding inflationary distortions and abrupt economic fluctuations that negatively affect income distribution and resource allocation. Along with prudent fiscal and monetary policies, an appropriate exchange rate regime is required.

12. An effective, efficient, and accountable system for mobilizing public resources and managing their use by governments is essential. We recognize the need to secure fiscal sustainability along with equitable and efficient tax systems and administration, and improvements in public spending that do not crowd out productive private investment. We also recognize the contribution that medium-term fiscal frameworks can make in this respect.

13. Investments in basic economic infrastructure, social services and social protection, including education, health, nutrition, and social security programs—which take special care of children and are gender sensitive and fully inclusive of the rural sector and all disadvantaged communities—are vital to enabling people to better adapt to and benefit from changing economic conditions and opportunities. Active labour market policies, including worker training, can help raise employment and improve working conditions. Economic crises also underscore the importance of effective social safety nets.

14. We recognize the need to strengthen the domestic financial sector, encouraging the orderly development of capital markets through well-designed banking systems and other institutional arrangements, including the insurance sector, that encourage and channel savings and foster productive investments, including debt and equity markets. This requires a strong central bank and a solid system of

financial intermediation, supported by a transparent regulatory framework and effective supervisory mechanisms. It also requires the progressive, voluntary implementation of internationally agreed financial standards.

15. (Merged with paragraph 14)

16. Microfinance and credit for micro, small and medium-size enterprises, including in the rural areas, particularly for women, as well as national savings schemes, are important to enhance the social and economic impact of the financial sector. Development banks can be an effective instrument in facilitating access to finance for these enterprises, as well as an adequate supply of medium and long-term credit. In addition, the promotion of private sector financial innovations and public-private partnerships can also deepen domestic financial and further development. The prime objective of pension schemes is social protection, but when these schemes are funded, they can also be a source of savings. Efforts should be made to incorporate the informal sector into the formal economy. It is also important to reduce the transfer costs of migrant workers' remittances and create opportunities for development-oriented investments, including housing.

17. It is critical to reinforce national efforts in capacity building in developing countries and countries with economies in transition in areas such as: institutional infrastructure, public finance, human resource development, public administration, social and gender budget policies, financial regulation and supervision, early warning and crisis prevention, and debt management. In this regard, particular attention is required to address the special needs of Africa, the least developed countries, small island developing states and landlocked developing countries. International support for these efforts is indispensable.

Mobilizing international resources for development: foreign direct investment and other private flows

18. Private international capital flows, particularly foreign direct investment, along with international financial stability, are vital complements to national development efforts. Foreign direct investment contributes toward financing sustained economic growth in the long term. It is especially important for its potential to transfer knowledge and technology, create jobs, boost overall productivity, enhance competitiveness and entrepreneurship, and ultimately alleviate poverty through economic growth and development. A central challenge, therefore, is to create the necessary domestic and international conditions to facilitate direct investment flows to a much larger number of developing countries, including Africa, least developed countries, small island developing states, and land-locked developing countries, and countries with economies in transition.

19. To enhance inflows of productive capital, countries need to continue their efforts to achieve a transparent, stable, and predictable investment climate, with proper contract enforcement and respect for property rights, embedded in sound macroeconomic policies and institutions that allow businesses, both domestic and international, to operate efficiently and profitably and with maximum development impact. Special efforts are required in such priority areas as economic policy and regulatory frameworks for promoting investment, including the areas of human resource development, double taxation, international investment agreements, corporate governance and accounting standards. In this context, public/private partnerships can be important. These efforts can be enhanced through effective and well-coordinated technical assistance for capacity building as requested by recipients. In this regard, we emphasize the need for strengthened and adequately resourced technical assistance and capacity building.

20. To complement national efforts, we urge the relevant international and regional institutions as well as appropriate institutions in source countries to increase their support for private foreign investment in infrastructure development and other priority areas, including projects to bridge the digital divide. This support could include provision of export credits, co-financing, venture capital, and other lending

instruments, risk guarantees, leveraging aid resources, information on investment opportunities, fora to facilitate business contacts between international corporations and enterprises of developing countries, more and deeper linkages between foreign affiliates and local enterprises, and transfer and dissemination of technology. In this regard, strengthening of the multilateral and regional financial and development institutions is desirable. Additional source country measures should also be devised to encourage and facilitate investment flows to developing countries

21. While Governments provide the framework within which businesses operate, businesses, for their part, are expected to engage as reliable and consistent partners in the development process. We urge businesses to take into account not only the economic and financial but also the developmental, social, gender and environmental implications of their undertakings. We welcome all efforts to encourage good corporate citizenship.

21 bis. We will promote new public/private sector financing mechanisms, both debt and equity, for developing countries, to benefit in particular small entrepreneurs and small and medium-size enterprises and infrastructure. These public/private initiatives could include the development of policy consultation mechanisms between international and regional financial organizations and national governments with the private sector in both source and recipient countries as a means to create business-enabling environments.

22. We underscore the need to sustain sufficient and stable private financial flows to developing countries and countries with economies in transition. It is important to promote measures, in source and destination countries, to improve the information about financial flows and contain excessive volatility of short-term capital movements, including trade in currencies. It is critical: to ensure orderly, gradual, and well-sequenced processes for liberalizing capital flows according to national priorities; to manage national external debt profiles, paying careful attention to currency and liquidity risk; to strengthen prudential regulations, as appropriate, on highly-leveraged institutions. The private sector has also a role to play in enhancing the ease of access, accuracy, timeliness and coverage of information on countries and financial markets, which would strengthen capacities for risk assessment, and public/private initiatives in this regard are encouraged. Multilateral financial institutions could provide further assistance for all these purposes.

International trade as an engine for development

23. A rule-based, open, non-discriminatory and more equitable multilateral trading system, as well as meaningful trade liberalisation would substantially stimulate development worldwide, benefiting countries at all stages of development. In this regard, we reaffirm our commitment towards trade liberalization, and to ensure that trade play its full part in promoting economic growth, employment and development for all. We thus welcome the WTO's decisions to place the needs and interests of developing countries at the heart of the WTO Work Programme, and commit ourselves to their implementation.

24. To benefit fully from trade, which in many cases is the single most important external source of development financing, the enhancement of appropriate institutions and policies in developing countries as well as countries with economies in transition is needed. Meaningful trade liberalization is an important element in the sustainable development strategy of a country. The active promotion of trade and the attraction of foreign direct investment could boost economic growth and could be a significant source of employment.

25. Trade barriers, subsidies and other trade-distorting subsidies, particularly in agriculture, have negative effects on developing countries that significantly exceed the value of aid flows, and must be eliminated.

26. To ensure that world trade supports development goals, we will strive to:

- Strengthen the rules and disciplines of the World Trade Organization, to prevent abuses, particularly in antidumping measures, technical barriers, and sanitary and phytosanitary measures; secure full implementation of all commitments made at the Uruguay Round; and facilitate, in non-discriminatory terms, the accession of all developing countries, particularly the Least Developed Countries, as well as countries with economies in transition that apply for WTO membership.
- Liberalize trade in agricultural products, substantially improving market access, reducing, with a view to phasing out, all forms of export subsidies, and substantially reducing trade-distorting domestic support; liberalize trade in non-agricultural products, particularly in labour-intensive manufactures of export interest to developing countries, such as textiles and clothing; liberalize trade in services of export interest to developing countries; address the issue of movement of natural persons in the framework of the GATS negotiations; reduce or eliminate tariff peaks, high tariffs and tariff escalation, as well as non-tariff barriers; and strengthen all special and differential treatment provisions in trade agreements and make them more precise, effective and operational.
- Implement the commitments made in Doha to address the marginalization of least developed countries as well as the work programme on small economies.
- **Regarding trade-related intellectual property rights, ensure recognition of traditional knowledge and folklore and promote the transfer of knowledge and technology, and, while providing incentives to innovate, facilitate the access to existing medicines and technologies, thereby assisting developing countries to address their urgent health needs .**

27. We also commit ourselves to enhancing the role of regional and sub-regional agreements and free trade areas, consistent with the multilateral trading system, in the construction of a better world trading system. We urge international financial institutions, including the regional development banks, to support projects that promote sub-regional and regional integration among developing countries.

28. To speed up our efforts to ensure full and predictable access of developing country exports to all markets, we call on industrial countries that have not already done so, to take immediate steps to further benefit developing countries, in particular the LDCs, as envisaged in the Programme of Action for the LDCs adopted in Brussels, as well as to support programmes for the development of Africa, the small island, landlocked, and transit developing countries. At the same time, developing countries as well as countries with economies in transition should reduce, and when possible eliminate, trade barriers among themselves.

29. To further support national efforts to benefit from trade opportunities and effectively integrate into the multilateral trading system, we urge multilateral and bilateral financial and development institutions to expand and coordinate their efforts, with additional resources, for removing supply-side constraints, improving trade infrastructure, diversifying export capacity and increasing the technological content of exports, strengthening institutional development, and enhancing overall productivity and competitiveness. To this end, we invite the international and regional financial institutions, with the support of relevant United Nations funds and programs, to put in place a major, fully funded initiative to provide training, capacity building and trade-related technical assistance to developing countries and countries with economies in transition.

30. Multilateral assistance is also needed to support actions that contribute to the stability of world commodity markets and better manage the consequences of volatile export revenues of countries that still depend heavily on commodity exports. **Thus, we welcome the recent review of the IMF Compensatory Financing Facility and encourage efforts to make it more effective.** It is also important to empower developing country commodity producers to insure themselves against risk, including against natural disasters. We further invite bilateral donors and multilateral aid agencies to strengthen their support to export diversification programmes in these countries.

31. In support of the process launched in Doha, attention should go to promoting the full participation of all developing countries in multilateral trade negotiations. In particular, developing countries need assistance in order to participate effectively in the new WTO Work Programme and negotiating process through enhanced cooperation of all relevant stakeholders, including UNCTAD and ITC. To these ends, we underscore the importance of effective, secure and predictable financing of trade-related technical assistance and capacity building, including the Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries and the Joint Integrated Technical Assistance Programme.

Increasing international financial and technical cooperation for development

32. Official development assistance plays an essential role as a complement to other sources of financing for development, especially in those countries with the least capacity to attract private direct investment. ODA can help a country to reach adequate levels of domestic resource mobilization over an appropriate time horizon while human capital, productive capacities, and export capacities are enhanced. ODA can be critical in improving the environment for private sector activity, and thus pave the way for robust growth. ODA is also a crucial instrument to support agriculture and rural development, and enhance food security. For many countries in Africa, least developed countries, small island developing states, and landlocked developing countries, ODA is still the largest source of external financing and is critical to the achievement of the Millennium development goals and other internationally agreed development targets.

33. Sound policies and good governance at all levels are necessary to enhance the effectiveness of partnerships among donors and recipients, based on the recognition of national leadership and ownership of development plans. A major priority is to build these development partnerships, particularly in support of the neediest. The Millennium development goals and other internationally agreed development targets can help countries set short- and medium-term national priorities as the foundation for building partnerships for external support.

34. Along with substantial policy improvements in the recipient countries, ODA must at least double if the Millennium development goals and other internationally agreed development targets are to be achieved. We underscore the need to increase overall ODA to the equivalent of 0.7 percent of industrial countries' annual GNP, including ODA of 0.15 to 0.2 percent of industrial countries' GNP for least developed countries. We commend those donor countries whose ODA contributions reach or exceed these targets and urge others to follow their lead, undertaking multiyear commitments to advance through predictable steps.

35. To raise the political support that is needed to enhance development assistance, we request the Secretary-General to launch a global information Campaign for the Millennium Goals. This campaign should be designed to raise public awareness in industrial countries of the urgency of increasing international development assistance, as a vital investment in building a more secure world for all. The campaign would highlight success stories and lessons learned in the generation and effective use of aid, especially aid for poverty eradication and economic growth. In this respect, we call for the active involvement of all relevant stakeholders, including civil society organizations and the business sector.

36. Recipient and donor countries, as well as international institutions, should strive to make ODA more effective. In particular, we urge the multilateral and bilateral financial and development institutions to intensify efforts to:

- Harmonize their operational procedures at the highest standard, so as to reduce transaction costs and make ODA disbursement and delivery more flexible, taking into account national development needs and objectives under the ownership of the recipient country.
- Avoid burdensome restrictions such as aid tying, both de jure and de facto, and speedily and fully implement all commitments made to advance in this regard.
- Enhance the absorptive capacity and financial management of the recipient countries to utilize aid, with a view to shifting to budget support mechanisms for aid delivery as well as to utilize development frameworks of recipient countries.
- Increase the concessionality of development financing, including greater use of grants, while ensuring full additionality of resources.
- Enhance the recipient countries' influence over the design of technical assistance programs and increase ownership over the procurement and effective use of technical assistance resources.
- Promote the use of ODA to leverage additional financing for development such as foreign investment, trade and domestic resources.
- Strengthen triangular cooperation, including countries with economies in transition, and South-South cooperation, as delivery tools for assistance.

We invite donors to take steps to apply these measures in support of all developing countries, including immediately in support of the comprehensive strategy that is embodied in the New Partnership for Africa's Development and similar efforts in other regions, as well as in support of least developed countries, small island developing states, and landlocked developing countries.

37. To promote a common approach to global public goods, such as the eradication of HIV/AIDS and other major infectious diseases, we need a participatory process for defining such goods and setting priorities and formulating strategies for their provision. This process will require stronger public-private cooperation. Also needed is an accounting system that differentiates global public goods financing from ODA, since development assistance should not be reduced to pay for global public goods. In some cases, ensuring that global public goods activities are anchored in national and global strategies will require fully additional funding. In others, flexibility and reinforcement of existing mechanisms will help countries take ownership of global public goods-related national programs and put them into practice.

38. We recognize the value of exploring innovative sources of multilateral finance as an additional source of official development assistance, humanitarian aid, and global public goods financing, provided that these sources do not shift the burden of finance to developing countries. In this regard, we will give careful consideration, in all appropriate fora, to the results of the analysis requested to the Secretary-General on possible innovative sources of multilateral finance, as well as to the proposal to use SDR allocations for development purposes.

39. Multilateral and regional development banks continue to play a vital role in serving the development needs of developing countries and countries with economies in transition. They should contribute to

guaranteeing an adequate supply of finance to countries that are following sound economic policies but lack adequate access to capital markets and countries where poverty remains challenging, and partly offset the excessive volatility of financial markets. Strengthened regional development banks and sub-regional financial institutions add flexible financial support to national and regional development efforts, enhancing ownership and overall efficiency. They also serve as a vital source of knowledge and expertise on economic growth and development for their developing member countries.

40. We will ensure that the long-term resources at the disposal of the international financial system, including regional and sub-regional institutions and funds, allow them to adequately support sustained economic and social development, technical assistance for capacity-building, and social and environmental protection schemes. We will also enhance their overall lending effectiveness through increased country ownership, conditionality that is respectful of and responsive to national development needs and priorities, focus on operations that raise productivity and yield measurable results, and closer coordination with donors and the private sector.

External debt relief

41. Sustainable debt financing is an important element for mobilizing resources for public and private investment. National comprehensive strategies to monitor and manage external liabilities, embedded in sound macroeconomic policies, are a key element in reducing national vulnerabilities. Debtors and creditors must share the responsibility for preventing and solving unsustainable debt situations. Technical assistance for external debt management and debt-tracking can play an important role and should be strengthened.

42. External debt relief could play a key role in attaining sustainable growth and development and therefore, debt relief measures should be pursued vigorously and expeditiously, including within the Paris Club. Noting the importance of re-establishing financial viability for the highly indebted developing countries, we welcome the bilateral initiatives that have been undertaken to reduce outstanding indebtedness, and we invite further bilateral and multilateral initiatives in this regard, including through debt cancellations and flexible arrangements.

43. The Heavily Indebted Poor Countries' (HIPC) Initiative provides an opportunity to strengthen the economic prospects and poverty reduction efforts of its beneficiary countries. Speedy, cost-effective and full implementation of the HIPC initiative, which should be fully financed through additional resources, is critical. Debt sustainability analysis should take into account each country's capacity to raise the finance needed to achieve the Millennium development goals. **Eligibility criteria need to be more flexible**. Continued efforts are needed to reduce debt to sustainable levels. Any new arrangement should avoid imposing burdens on other developing countries.

44. We urge the IMF and the World Bank to develop flexible policy actions for prompt, comprehensive debt relief for least developed countries, small island developing states, landlocked developing countries and other low-income countries with severe debt-servicing problems, hit by natural catastrophes, suffering severe terms of trade shocks, or emerging or suffering from conflict.

45. While recognizing that a flexible mix of instruments is needed to respond appropriately to countries' different economic circumstances and capacities, we emphasize the importance of clear rules for equitable distribution of the cost of crisis-resolution between the public and private sectors and among debtors, creditors, and investors. Debt relief should be additional and not at the expense of development assistance. We also encourage exploring innovative mechanisms to comprehensively address debt concerns of developing countries and countries with economies in transition.

Addressing systemic issues: enhancing the coherence and consistency of the international monetary, financial, and trading systems in support of development

46. We recognize the urgent need to enhance coherence, governance, consistency of the international monetary, financial and trading system in support of development by reforming the international financial architecture and improving global governance. To contribute to this end, efforts should be strengthened at the national level to enhance coordination among all relevant ministries and institutions. Similarly, we should encourage policy and program coordination of international institutions and coherence at the operational level to meet the goals of sustained economic growth, poverty eradication, and sustainable development.

47. Important international efforts are underway to reform the international financial architecture. These need to be enhanced and sustained with greater transparency and greater participation of developing countries and countries with economies in transition. One major objective of the reform is to enhance financing for development and poverty eradication. We also underscore our commitment to sound domestic financial sectors, which make a vital contribution to national development efforts, as an important component of an international financial architecture supportive of development.

48. Strong coordination of macroeconomic policies among the leading industrial countries is critical to greater global stability and reduced exchange rate volatility, which are essential to economic growth as well as for enhanced and predictable financial flows to developing countries and countries with economies in transition.

49. The multilateral financial institutions, in particular the IMF, should continue to give high priority to the identification and prevention of potential crises and to strengthening the underpinnings of international financial stability. In this regard, we urge the Fund to strengthen surveillance of all economies and short-term international capital flows. We encourage the Fund to facilitate the timely detection of external vulnerability through well-designed surveillance and early warning systems and to coordinate closely with relevant regional institutions or organizations.

50. We urge multilateral financial institutions, in providing policy advice and financial support, to work on the basis of nationally formulated paths of reform, and to pay due regard to the special needs and implementing capacities of developing and transition countries, aiming at economic growth and sustainable development. Conditionality must be mandate-specific and flexible. The advice should take into account social costs of adjustment programmes and these should be designed to minimize negative impact on the vulnerable segments of society.

51. It is essential to ensure adequate participation of developing countries in the formulation of financial standards and codes. International efforts must be made to help build capacity in developing countries, to enable progressive, voluntary implementation of internationally accepted standards and codes. We encourage participation in the IMF and World Bank Financial Sector Assessment Program to help prioritise their implementation efforts and identify technical assistance needs.

51 bis Sovereign risk assessments made by the private sector must be based on strict, objective, and transparent parameters. In this context, the voluntary establishment of regional networks for risk assessment can contribute to the quality of data and analysis.

52. We underline the need to ensure that the multilateral financial institutions, particularly the IMF, have enough resources to provide timely, accessible emergency financing through a suitable array of financial facilities, including through **possible temporary issues of special drawing rights** and readily available contingency credit lines with improved terms of access, to countries affected by financial crises or in

danger of contagion. In this regard, we also underline the need to enhance the stabilizing role of regional and sub-regional reserve funds, swap arrangements, and similar cooperation mechanisms.

53. To promote fair burden-sharing and prevent moral hazard, we would welcome consideration by all relevant stakeholders of an international debt workout mechanism in the appropriate fora, modelled on domestic bankruptcy procedures, that will engage debtors and creditors to come together to restructure unsustainable debts in a timely and efficient manner. Adoption of such a mechanism should not preclude the provision of emergency financing in times of crisis.

54. Moved to 58bis

55. Good governance at the international level is also essential for sustained economic growth, poverty eradication and sustainable development worldwide. To better reflect the growth of interdependence and enhance legitimacy, global economic governance needs to develop in two areas: broadening the base for decision making on issues of global concern, and filling organizational gaps. To complement and consolidate advances in these two areas, we must strengthen the UN system, including the World Bank and the IMF, and the relationship between the UN system and WTO. We encourage all international organizations to seek to continually improve their operations and interactions.

56. We commit ourselves to broaden and strengthen the representation and participation of developing countries and countries with economies in transition in global economic decision-making and norm-setting bodies and processes. This is essential to ensure the soundness and ownership of agreements, codes and standards and their effective implementation. Increased consultation with civil society and the business sector is an important component in these efforts, which will also contribute to greater transparency, accountability and responsiveness. To these ends, we welcome further actions to help developing countries and countries with economies in transition build their capacity to participate effectively in multilateral fora. Independent external evaluation of the multilateral financial organizations' performance, on a regular basis, is also required.

57. A first priority is to find pragmatic and innovative ways to further enhance the effective participation of developing countries in international dialogues and decision-making processes. Within the mandates and means of the respective institutions and fora, we encourage the following actions:

- International Monetary Fund and World Bank: To continue to enhance the role and effective participation of all developing countries and countries with economies in transition in their decision-making and deliberative bodies, taking into account these countries' real economic weight, as well as the need to strengthen the voice of low-income countries.
- World Trade Organization: To ensure that any steering group is representative of the full WTO membership and participation is based on clear, simple and objective criteria.
- Bank for International Settlements, Basel Committees, and Financial Stability Forum: To continue enhancing their outreach and consultation efforts with developing countries and countries with economies in transition at the regional level and to review their membership, as appropriate, to allow for their adequate participation.
- Ad-hoc groupings that make policy recommendations with global implications: To continue strengthening their outreach to non-member countries and to enhance compatibility with the work of multilateral institutions with clearly defined and broad-based intergovernmental mandates.

58. To address gaps in global economic governance, we encourage the following actions:

- Strengthen the WTO, by enhancing its capacity to provide technical assistance to developing countries, and upgrade its institutional relationship with the UN
- Strengthen the International Labour Organization and support its ongoing work on the social dimension of globalization.
- Strengthen the coordination of the UN system and all other multilateral financial, trade and development institutions, to support economic growth, poverty eradication and sustainable development worldwide.
- Mainstream gender perspective into development policies at all levels and in all sectors.
- Strengthen international tax cooperation through enhanced dialogue among national tax authorities and greater coordination of the work of the concerned multilateral bodies and relevant regional organizations. In particular, we encourage them to engage in an all-inclusive global intergovernmental network of dialogue and interaction, giving special attention to the needs of developing countries and countries with economies in transition.
- Promote the role of the UN regional commissions and the regional development banks in supporting policy dialogue among countries at the regional level on macroeconomic, financial, trade and development issues.

58 bis We commit ourselves to negotiate and finalize as soon as possible a United Nations convention against corruption in all its aspects, including the repatriation of transferred funds of illicitly acquired funds to countries of origin as well as increase cooperation among all member states to eliminate money laundering.

59. We attach priority to reinvigorating the UN system as a fundamental pillar for the promotion of international cooperation to make the global economic system work for all. We reaffirm our commitment to enable the General Assembly to play effectively its central role as the chief deliberative, policy-making, and representative organ of the United Nations, and to strengthen further the Economic and Social Council to help it fulfill the role ascribed to it in the UN Charter.

III. STAYING ENGAGED

60. To build a global alliance for financing for development will require an unremitting effort. We thus commit to keep ourselves fully engaged, both nationally and internationally, to ensure proper follow-up of the implementation of agreements and commitments reached at this Conference, and to continue building bridges between development, finance, and trade deliberations and initiatives, within the framework of the holistic agenda of the Conference. Greater cooperation among existing institutions is needed, based on a clear understanding and respect for their respective responsibilities and governance structures.

61. Building on the successful experience of this Conference and the process leading up to it, we shall strengthen and make fuller use of the UN General Assembly and the Economic and Social Council, as well as the intergovernmental bodies of all other institutional stakeholders, for the purposes of conference follow-up and coordination:

(a) The annual intergovernmental spring meeting of the Economic and Social Council with the BWIs, which should also similarly include the WTO, should henceforth focus on the follow-up to this Conference, including issues of policy and program coherence that arise from the broad and inter-related mandates of these organizations. The agenda of the meeting shall be jointly determined by the relevant intergovernmental bodies.

(b) The ECOSOC high-level policy dialogue with the executive heads of the international trade and financial institutions, with the participation of all relevant stakeholders, including civil society and the business sector, should focus on a structured agenda reviewing the Conference follow-up and develop recommendations for greater coordination and coherence.

(c) The high-level dialogue on strengthening international cooperation for development through partnership, held biennially in the General Assembly, which would review the FfD-related reports coming from ECOSOC and other bodies, would be reconstituted to enable it to become the focal point of the intergovernmental mechanism charged with the general follow-up of the conference and related issues, with the appropriate involvement of all relevant stakeholders, including civil society and the business sector.

62. To support the above, we have also decided:

- To pursue the continued engagement of all our relevant national institutions, in particular ministries of foreign affairs, finance, development cooperation, trade, as well as our central banks and the private sector and civil society.
- To harness the active support of the UN regional commissions and the regional development banks.
- To keep the Financing for Development ideas and process on the agenda of the intergovernmental bodies of all relevant stakeholders, including UNCTAD and all other United Nations funds, programmes and agencies, and encourage similar attention by business and civil society entities.
- To make the follow-up to FFD a contribution towards attaining the Millennium Declaration development goals.

63. To underpin these efforts, we request the Secretary-General to provide—with collaboration from the secretariats of the major institutional stakeholders concerned, fully utilizing the United Nations System Chief Executives Board for Coordination mechanism—support to the follow-up of the agreements and commitments reached at this Conference, and prepare an annual report on these follow-up efforts.

64. We shall meet again in 2006.