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Item 19 of the preliminary list*

**Follow-up to and implementation of the outcome of the
2002 International Conference on Financing for
Development and the 2008 Review Conference****Economic and Social Council****2015 Session**

Item 11 (a) of the provisional agenda**

**Implementation of and follow-up to major
United Nations conferences and summits:
follow-up to the International Conference
on Financing for Development****Summary by the President of the Economic and Social Council
of the special high-level meeting of the Council with the World
Bank, the International Monetary Fund, the World Trade
Organization and the United Nations Conference on Trade and
Development (New York, 20 and 21 April 2015)****I. Introduction**

1. The special high-level meeting of the Economic and Social Council with the World Bank, the International Monetary Fund (IMF), the World Trade Organization (WTO) and the United Nations Conference on Trade and Development (UNCTAD) was held in New York on 20 and 21 April 2015. The overall theme of the meeting was “Coherence, coordination and cooperation in the context of financing for sustainable development and the post-2015 development agenda”. The meeting featured an opening address by the Secretary-General, a keynote address by the Deputy Prime Minister of Turkey and statements on behalf of the Trade and Development Board of UNCTAD, the joint Development Committee of the World Bank and IMF, the International Monetary and Financial Committee of IMF and WTO.

* A/70/50.

** E/2015/1.

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2. The meeting was organized around a ministerial segment, statements by intergovernmental representatives, and three thematic debates, each of which was followed by an interactive discussion. The ministerial segment focused on the theme “World economic situation and prospects”. The thematic debates were organized around the themes of “Current challenges and emerging opportunities for mobilization of financial resources and their effective use for sustainable development on the road to Addis Ababa”, “Renewed global partnership for development in the context of the post-2015 development agenda” and “Follow-up and the way forward: enhancing the role of ECOSOC”. The participants had before them a note by the Secretary-General (E/2015/52), in which background information was provided and possible questions for discussion under the four themes were suggested.
 3. The meeting was preceded by preparatory consultations and meetings between the Bureau of the Economic and Social Council and the executive boards of the World Bank and IMF, in addition to intergovernmental representatives and senior management of WTO and UNCTAD.
 4. Speakers at the ministerial segment included five speakers at the Ministerial level and one European Commissioner. A significant number of Executive Directors and Alternate Executive Directors of the Boards of the World Bank and IMF, as well as senior staff of these institutions and other institutional stakeholders, including WTO and UNCTAD attended the meeting. Also participating were high-level government officials in the areas of finance, foreign affairs and development cooperation, in addition to senior staff of organizations of the United Nations system and other international organizations, including the major institutional stakeholders. Representatives of civil society and the business sector also participated actively.

II. Opening of the special high-level meeting

5. The opening of the meeting featured statements by the President of the Economic and Social Council, Martin Sajdik (Austria), and the Secretary-General of the United Nations.
6. The President, in his statement, welcomed the participants to the meeting, noting that the meeting was being held at a crucial point in time in the lead up to the Third International Conference on Financing for Development to be held in Addis Ababa, Ethiopia, from 13 to 16 July 2015. He underlined that past regional and global financial and economic crises had shown that decades' worth of development gains could come undone in a matter of a few years. In this context, he highlighted the need to work towards a more cohesive and resilient global economic system. In 2015, the world economy started on a weak note, following subdued growth in 2014. Whereas it is expected to strengthen in the next two years, it has been hampered by major geopolitical tensions and humanitarian crises. Unemployment, especially youth unemployment, remains a key policy challenge worldwide, posing risks not only for the economic recovery in the short run, but also for the potential long-term growth. In order to mitigate these challenges, the President called for strengthening international policy coordination and cooperation. In particular, macroeconomic policies worldwide should be aligned toward supporting robust

and balanced growth, creating productive jobs, and maintaining economic and financial stability in the long run. He noted that the mobilization of both public and private resources at the domestic level would be at the core of financing sustainable development and meeting the sustainable development goals. At the same time, traditional development cooperation, and Official Development Assistance (ODA) in particular, will continue to play an important role, especially for countries with special needs. The President stressed the need for a new global partnership for development, leveraging the strengths of all actors, including civil society, the private sector, local governments, national parliaments and others. This partnership must be based on equity, cooperation and accountability, taking into account different national realities and differentiated needs, capacities and levels of development. To be effective, it will require a strengthened and more robust monitoring and accountability mechanism, including a strong Financing for Development follow-up process.

7. In his statement, the Secretary-General of the United Nations said that the meeting of the Council was an important step in the preparations for the Third International Conference on Financing for Development, as well as for the post-2015 Summit and the United Nations Climate Change Conference to be held in 2015. The strong engagement of the major institutional stakeholders and of the civil society and business sector representatives illustrates the unprecedented level of cooperation that has emerged in the common efforts to formulate a post-2015 development agenda. The Addis Ababa Conference provides a chance to devise a new international financial framework that is predictable and effective in achieving sustainable and inclusive development. He outlined three key elements of a successful outcome in Addis Ababa: first, a cohesive and holistic financing framework for sustainable development; second, concrete deliverables, particularly in crucial areas such as infrastructure, agriculture, social needs, and support for small- and medium-sized enterprises; and third, a strong follow-up process to ensure that no country is left behind. The Secretary-General highlighted the need to tap into all sources of development finance – national, international, public and private. The zero draft of the outcome document emphasizes the importance of fighting illicit flows, including through domestic reforms and international tax cooperation. The draft welcomes the work of the G20 and OECD in this area. But it also notes that these initiatives should be complemented by more inclusive deliberations at the United Nations to ensure that they benefit all countries, including the least developed countries (LDCs). The draft stresses the need for continued official development assistance, and the importance of reversing the declining trend of aid to LDCs. It also emphasizes the important role of development banks, private finance, technology, capacity building and incentives to promote greater private investment in sustainable development. The zero draft also highlights the need for an equitable multilateral trading system, sustainable debt and more inclusive global governance for sustainable development. The Secretary-General underlined that the financing needs for sustainable development were enormous. Success will rely on a revitalized and stronger global partnership for development.
8. In his keynote address, His Excellency Mr. Ali Babacan, Deputy Prime Minister of Turkey, shared the views of the G20 Turkish Presidency on the global economic outlook, the G20 priorities in this conjuncture, as well as the perspective and work

of the G20 on development. The Deputy Prime Minister observed that there was still no sustained recovery in the global economy despite efforts to promote growth. However, he noted the positive signals from major developed economies, including the United States of America, the United Kingdom, the euro area and Japan. The picture is more nuanced in emerging market economies, although they still account for more than two-thirds of the global growth. He stressed that the challenges to the global economic outlook persisted, especially the recent volatility in exchange rates, prolonged low inflation and low yields. The Deputy Prime Minister called for important reforms in the areas of labour market, social security, investment and human capital. He also presented the three priorities of the G20 Turkish Presidency for 2015. The first is inclusiveness. The G20 Turkish Presidency will put emphasis on small and medium-sized enterprises (SMEs) which generate up to 80% of employment in some countries. He announced the launch of a world SME forum, as well as the Women 20 engagement group to enhance the role and effectiveness of women in business. He emphasized the efforts of the Presidency to ensure that the interests of low-income countries are fully taken into account in the work of the G20. The second priority area is implementation. The Turkish Presidency will focus on the implementation of the 1,000 plus structural reforms committed by G20 countries. If implemented, these reforms could raise global growth by two per cent higher than business as usual by 2018. The third priority area is investment. G20 countries are expected to present specific and concrete investment plans at the G20 Summit to be held on 15-16 November 2015 in Antalya. The Deputy Prime Minister highlighted the importance of private resources for public investment and the need for standardization of public-private partnerships. He further elaborated on the efforts of the G20 Turkish Presidency to make the highest possible contribution to the agenda on international development in 2015. He underscored the linkages between the proposed sustainable development goals and the main elements of the G20 development agenda, notably infrastructure, domestic resource mobilization, financial inclusion and remittances, food security and nutrition and human resources development. He also indicated the aim to develop a G20 Energy Access Action Plan with a particular focus on sub-Saharan Africa. The very first meeting of G20 Energy Ministers will be held in Istanbul in October 2015. Finally, the Deputy Prime Minister called for building a new era of work between humanitarian and development sectors, especially on humanitarian financing. He said that the World Humanitarian Summit to be held in Istanbul in May 2016 should provide a unique opportunity to address these issues.

III. Ministerial segment on theme 1: “*World economic situation and prospects*”

9. The morning session featured a ministerial segment on the theme of “World economic situation and prospects”, followed by an interactive discussion. The segment featured statements by the Deputy Prime Minister and Minister of International Economic Integration and Reforms of Armenia, Mr. Vache Gabrielyan,; the Minister of Finance of Colombia, Mr. Mauricio Cárdenas; the Commissioner for International Cooperation and Development of the European Union, Mr. Neven Mimica ; the Minister for Finance of Sweden, Ms. Magdalena Andersson; the Minister of Development, Investment and International Cooperation of Tunisia, Mr. Yassine Ibrahim; the State Minister for Finance and

Economic Development of Ethiopia, Mr. Abraham Tekeste; and the President of the Eurasian Economic Club of Scientists, Mr. Murat Karimsakov.

10. Mr. Gabrielyan noted that there is still an important role for public finance in development, but this role is evolving. One of the most prominent venues, especially for LDCs, is private-public partnerships (PPPs). Armenia is actively using the potential of PPPs with the help of donors, especially the World Bank. And one of the most promising venues of overcoming the supply bottlenecks in infrastructure for Armenia, a landlocked country, is to promote a more efficient use of existing infrastructure. Recognizing the important role of ECOSOC in preparing for the post-2015 agenda and the Third International Conference on the Financing for Development, Mr. Gabrielyan expressed Armenia's readiness to engage actively in the discussions to make sure that 2015 becomes the year of opportunity.
11. Mr. Cárdenas stressed the success story of Colombia for economic and social development. He indicated that the country has an investment rate of 30% and has managed to decrease poverty considerably from a high level of 40% in 2009. However, falling commodity prices and expected increases in interest rates in the United States present major threats to growth in many Latin American countries. The erosion of the tax base is one of the most important challenges for the mobilization of domestic resources for development. Tax revenues account for 22% of gross domestic product (GDP) in Latin American countries, and 34% in developed countries. He underscored the importance of capacity development, fighting tax evasion, promoting the exchange of information among developing countries, and strengthening national development banks. Mr. Cárdenas reiterated the commitment of Colombia to ensure a successful outcome in Addis Ababa to provide the financing for the sustainable development goals in the post-2015 period.
12. Mr. Mimica reiterated that the European Union is committed to advancing global growth and prosperity and to providing more ODA. He highlighted that the European Union is accounting for 20% of global GDP, but for over half of global ODA. Yet, the efforts by the European Union are not enough and he called on all providers to take clear commitments in line with their economic strength. The European Union is the world's leading provider of the Aid for Trade program. It also provides significant grants and unilateral trade preferences. The "Everything but Arms" initiative provides free access to European Union market for all products from LDCs, except arms and ammunition. Mr. Mimica insisted that the benefits of the global progress should be shared widely, noting that inequality does not only compromise human dignity, but also has a negative impact on growth potential. He underscored that the Financing for Development and post-2015 tracks should converge into a single overarching agenda, supported by a solid monitoring mechanism to ensure credibility, consistency and impact.
13. Ms. Andersson highlighted two main challenges: climate change and gender equality. Since the fall in oil prices reduces stimuli to move away from carbon fuel, she expressed the view that the need to introduce carbon taxes or restrictions on emissions is greater than before. Ms. Andersson emphasized that Sweden has twenty years of experience with carbon tax and the highest carbon tax in the world.

Since 1991, the GDP of Sweden has increased by 60%, whereas carbon emissions have dropped by 20%. She used these data to illustrate that it is possible to enjoy growth and to reduce emissions at the same time. Ms. Andersson also stressed that promoting gender equality will increase growth potential. She highlighted that ODA is an important but limited source of development financing. ODA should be used to unleash the potential of other financing sources. She reiterated Sweden's commitment to meet the ODA target of 0.7% of GNI, and even more, as well as providing 50 per cent of ODA to LDCs. Domestic resource mobilization will play a key role. In this respect, she welcomed the proposals in the zero draft outcome document for the Addis Ababa Conference to progressively increase tax revenues.

14. Mr. Ibrahim shared his impressions on the discussions on commodity prices that were held at the IMF/World Bank Annual Spring meetings in Washington D.C. He raised some particular issues, including reforms in the sector of energy and the elimination of energy subsidies. During the last four years, Tunisia started an ambitious program of reforms to improve competitiveness and to make the country more attractive to the international investors. At the same time, the Government was working with the United Nations to meet national economic and social goals. Mr. Ibrahim used that opportunity to thank all international organisations, especially the United Nations, for their support. Mr. Ibrahim indicated that the Government is working on a five-year plan for 2016-20.
15. Dr. Tekeste pointed out that the recovery of the world economy is not proceeding at the desired pace and growth may be moderate in the coming years. The new challenges started to emerge in different parts of the world. The commitment of the international community to the transformative development agenda is extremely important in this period. The effective implementation of the sustainable development goals requires all sorts of financing – private and public, domestic and international. At the national level, the necessary environment needs to be created for the meaningful participation of the private sector. At the international level, he underlined that ODA or international public finance remain important, particularly for LDCs, to achieve the sustainable development goals. Dr. Tekeste emphasized that the international financial and trade institutions have a much greater role to play in future development, especially in ensuring a stable global financial and trading system, providing support for the LDCs, and making the necessary resources available for infrastructure development. Beyond financing bankable projects, these institutions should continue to provide support for domestic resource mobilisation, capital market development, FDI, capacity building and technical assistance.
16. Mr. Karimsakov shared the results of the first and second World Anti-crisis Conferences in Astana. The first Conference took place in May 2013 with 3,000 experts and officials from 104 countries, including ministers of finance and heads of central banks. The second Conference took place in May 2014 with the participation of 4,000 delegates from 136 countries. The goal was to work out the World Anti-Crisis Plan that was presented at the 68th session of the United Nations General Assembly.
17. In the ensuing discussion, the following points were raised: respecting the policy space of national governments in the area of public domestic finances; carrying out

reforms of international financial institutions and the global monetary system, ensuring full representation of developing countries; meeting the ODA targets of 0.7 % of GNI, with at least 0.20% to 0.25% of GNI allocated to LDCs; making fiscal policy across the world more countercyclical and more equitable; and designing new development indicators other than GDP, such as multidimensional poverty. It was also noted that the current levels of ODA are not enough to achieve the sustainable development goals, especially for some recipient countries.

IV. Statements by institutional stakeholders

18. The morning session concluded with statements by Luis Manuel Piantini Munnigh (Dominican Republic), Vice-President, Trade and Development Board, UNCTAD; Mahmoud Mohieldin, Corporate Secretary and President's Special Envoy, World Bank Group; Calvin McDonald, Deputy Secretary of the IMF and Acting Secretary of the International Monetary and Financial Committee (IMFC); Xiaozhun Yi, Deputy Director-General, World Trade Organization
19. Mr. Munnigh reiterated the important role of trade as a key enabler and mean to achieve inclusive economic growth and sustainable development. Open, universal, rule based and non-discriminatory participation in international trade can deliver key benefits to developing countries. He underlined that UNCTAD has developed an Action Plan for private investment in the sustainable development goals, with some priority packages: (1) a new generation of investment promotion strategies and institutions; (2) SDG-oriented investment incentives; (3) regional SDGs investment compacts; (4) New forms of partnership for SDG investment, (5) enabling innovative financing mechanisms and a reorientation of financial markets; and (6) changing the global business mindset and developing SDG investment expertise.
20. Mr. Mohieldin noted that the joint World Bank/IMF Development Committee meeting in April 2015 welcomed the unique participation of the United Nations Secretary-General, the President of the General Assembly, the co-facilitators of the post-2015 development agenda and the preparatory process of the Third International Conference on Financing for Development, and a distinguished delegation of high-level officials from the United Nations, as well as the Heads of the Multilateral Development Banks. Ministers acknowledged that achieving the sustainable development goals will require a transformational vision that builds on the lessons from the MDGs and combines all potential sources of financing, including (1) more effective and catalytic use of ODA, particularly for the poorest; (2) strengthening domestic resource mobilization, sound public financial management, and addressing the challenge of illicit finance; (3) promoting private finance and investment; and (4) coordinating action on global issues. The Committee recognized that achieving the sustainable development goals will also require countries to deal with the challenges and consequences of climate change and natural disasters. The members commended the World Bank Group's commitment to mainstream low-carbon development and Disaster Risk Management, while maintaining focus on its poverty eradication mandate and further encouraged efforts and financing to contribute to the success of the 21st Conference of the Parties of the UNFCCC in Paris. The Committee highlighted the recent plunge in oil prices and noted the significant real income shift from oil

exporters to oil importers, with a net positive effect on growth in developing countries, which creates challenges for policy makers in oil exporting countries, but also provides a favourable environment for subsidy and tax reforms for more inclusive and sustainable growth.

21. Mr. McDonald focused on the work of the IMF role in supporting countries in a global economy characterized by uneven growth, declining oil prices, sharp variations in exchange rates, and market volatility. With regard to fiscal policy, he pointed out that the Fund will continue to provide advice on how to make fiscal policy supportive of short- and long-term growth, how to calibrate fiscal packages and advice to reduce public debt overhangs, and how to manage fiscal risks. With regard to monetary policy, the Fund will continue to assess the impact of asynchronous or timing differences in their implementation. This includes how to strengthen the effectiveness of macroeconomic policy transmission, manage disruptive exchange rate movements, mitigate financial stability risks and capital flow volatility, and respond to falling commodity prices and disinflationary pressures. The Fund will deepen macro-financial analysis and support members in addressing financial stability risks and advise on addressing debt overhangs, especially in the euro area. It will continue to identify and analyse macro-critical structural reforms to make growth sustainable, job-rich and inclusive, leveraging also the expertise of other institutions. Lastly, he underscored that the implementation of the 2010 IMF quota and governance reforms remains an absolute priority. The Fund is fully committed to working expeditiously with the membership to pursue an interim solution in place to make meaningful progress in the key areas of the 2010 reforms.
22. Mr. Yi stated that the WTO remains fully committed to the discussion of the post-2015 agenda and the financing for development process. He said that, as WTO celebrates its 20th anniversary in 2015, the Organization and its rules governing world trade have proven their worth in the context of the MDGs. Mr. Yi outlined some key areas where the WTO should play an important role in the post-2015 development agenda, such as the Trade Facilitation Agreement, the implementation of the rest of the Bali package, as well as the work on Aid for Trade and the Enhanced Integrated Framework for LDCs. The WTO will have the Fifth Global Review of Aid for Trade from 30 June to 2 July 2015 under the overall theme of "Reducing Trade Costs for Inclusive, Sustainable Growth". High trade costs act as an obstacle to the trade integration of many developing countries, and in particular the LDCs. Most recent figures on aid for trade flows indicate that commitments to LLDCs stood at 8.8 billion US dollars in 2012, up from 7.2 billion in 2011. Mr. Yi drew attention to the problem of access to trade finance. He highlighted that up to 80 per cent of global trade is supported by some form of financing or credit insurance. Yet in many countries there is a lack of capacity in the financial sector to support trade, and a lack of access to the international financial system. The situation even worsened after the financial crisis as global private financial institutions have been withdrawing from the LDCs. Mr. Yi expressed the commitment of WTO members and Director-General to put trade finance on the agenda of the Third International Conference on Financing for Development in Addis Ababa.

V. Thematic debate on theme 2: “Current challenges and emerging opportunities for the mobilization of financial resources and their effective use for sustainable development on the road to Addis Ababa”

23. The thematic debate featured presentations and statements by the Minister for Foreign Trade and Development Cooperation of The Netherlands, Ms. Lilianne Ploumen; the co-facilitators of the preparatory process for the Third International Conference on Financing for Development, Mr. George Talbot (Guyana) and Mr. Geir O. Pedersen (Norway); the Secretary-General of UNCTAD, Mr. Mukhisa Kituyi; and the Under Secretary-General for Economic and Social Affairs and Secretary-General of the Third International Conference on Financing for Development, Mr. Hongbo Wu.
24. Ms. Ploumen noted that the IMF/World Bank Spring meetings in Washington D.C. put strong emphasis on how to move “from billions to trillions”. She indicated that the discussions focused on ODA, domestic resource mobilization and the importance of engaging the private sector. Ms. Ploumen underlined that ODA is and remains of key importance to people in greatest need (LDCs, Small Island Developing States, and fragile and conflict-affected countries). With respect to domestic resource mobilization, she emphasized three points: (1) multilateral and bilateral support to capacity-building for domestic tax administrations; (2) inclusion of anti-abuse measures in all new bilateral tax treaties between advanced and developing countries, and revising existing treaties to curb tax avoidance; and (3) more inclusive dialogue on tax base erosion and profit shifting. She expressed the support of The Netherlands for stronger international cooperation on tackling tax avoidance. Finally, Ms. Ploumen called for the use of all available financial sources, including private finance. She stressed that innovative finance should help leverage additional private resources, especially through multi-stakeholder partnerships.
25. Mr. Talbot pointed out three challenges moving forward: change, skill, and response ambition. Change is given by making sustainability the defining paradigm of the future, as embedded in the sustainable development goals. In his view, the main question is how to build confidence to ensure that all partners are committed to deliver on a very ambitious agenda. The challenge of skill is about how to deal effectively with such established goals, how to mobilize the necessary resources. Response ambition refers to a credible framework for implementation and concrete deliverables that match the demands of the post-2015 development agenda. Mr. Pedersen highlighted the need for new and fresh ideas, especially for cross-cutting initiatives and synergies. He acknowledged broad agreement on the role of ODA, the need to mobilise domestic resources and increase taxation, and the key role the private sector should play.
26. Mr. Kituyi welcomed the repeated calls for stronger international actions to mobilize domestic public finance for development paid for by taxes, and to promote the role of private finance in meeting the sustainable development goals. He emphasized three additional actions for the Financing for Development process. Firstly, he urged to recall the holistic nature of the Monterey Consensus to ensure that the Addis Ababa Accord is truly comprehensive and forward-looking. He stressed that Financing for Development is not only about aid, taxes and the private

sector, but also means paying greater attention to systemic issues – capacity building, technology and innovation, as well as updating the approach to trade and investment issues at large. Secondly, Mr. Kituyi said that the Addis Ababa Accord should fully recognize the importance of trade and investment and highlight their role in national development strategies. In particular, Financing for Development requires support to capacity building activities including trade facilitation, trade diversification, improving understanding of non-tariff measures, and improving collection of trade-related revenues. Thirdly, Mr. Kituyi emphasized the importance of sustainable governance of international investment. He called for highlighting the role that the international community can play in facilitating regional and global investments in trading activity through regional infrastructure and technical support.

27. Mr. Wu focused on the preparations for the Third International Conference on Financing for Development. He stated that the Conference presents a unique opportunity to adopt a strong financing framework for sustainable development and provide the means of implementation for the post-2015 development agenda. Mr. Wu stressed the ongoing intensive period of preparations for the Conference, including the second drafting session of the outcome document, the joint session between the financing for development and the post-2015 processes, as well as the IMF/World Bank Spring meetings in Washington, D.C. where the Secretary-General made the case for an ambitious outcome and the highest level of participation in the Conference. Mr. Wu also outlined the key points that emerged from the regional consultations on financing for development organized by the United Nations regional commissions. The consultations emphasized the importance of domestic resource mobilization and the need for reforms at national and international levels, for example to combat illicit financial flows and curtail tax avoidance and evasion, but also to ensure greater and more inclusive international cooperation in tax matters. There were strong calls on donors to meet their ODA commitments of 0.7% of GNI. Some called for more ambitious ODA targets. With regards to the private sector, there was some discussion of the impediments that stand in the way of all private finance and investment becoming sustainable. The role of migrant communities in mobilizing domestic and international private resources was also discussed. In his capacity as Secretary-General of the Addis Ababa Conference, Mr. Wu reiterated his commitment to make Addis a success and to work closely with the Heads of the World Bank Group, IMF, WTO, UNCTAD and UNDP to mobilize high-level political support toward the Conference.
28. In the ensuing discussion, participants drew attention to the importance of job-intensive growth, domestic resources for development financing, tax compliance and tax capacity, ODA, private sector and corporate social responsibility, technology transfer, as well as efforts to prevent debt crisis and to carry out debt restructuring. It was suggested that climate finance and development finance should not be mixed and should be accounted for separately. Carbon prices and subsidies for energy were discussed as well.

VI. Thematic debate on theme 3: “Renewed global partnership for development in the context of the post-2015 development agenda”

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29. The thematic debate featured presentations by the Co-Dean of the Executive Board of the World Bank Group, Mr. Herve de Villeroche; the Executive Director of the Mexican Agency for International Development Cooperation, Mr. Juan Manuel Valle Pereña (AMEXCID); the Assistant Administrator and Director of the Bureau for Policy and Programme Support of UNDP, Mr. Magdy Martinez-Soliman; the Deputy Director of the Development Cooperation Directorate of OECD, Ms. Brenda Killen.
30. Mr. De Villeroche observed that the recent discussions at the IMF/World Bank Spring meetings in Washington D.C. showed how useful it is to deepen the relations and exchange of views between various institutions. He noted that the joint paper “From Billions to Trillions” prepared by the World Bank Group, the IMF and multilateral development banks offers a new paradigm of how to use ODA, domestic resources, public and private funds and innovative sources to finance development. In his view, the main challenge ahead is how to concretise the collective vision for the next fifteen years. ODA is essential for low income developing countries, fragile states, and countries in conflict situation. But there is a need to bring in remittances of migrants, foreign direct investment, and to make fiscal systems more effective. Mr. De Villeroche pointed out other challenges, such as climate change and public health that require coordinated actions before and after the Addis Ababa Conference.
31. Mr. Pereña remarked that the former MDG paradigm was driven by the donor-recipient dichotomy and will no longer be applicable to accomplish results in the context of the post-2015 development agenda and the sustainable development goals. He called for partnerships to be at the core of the new development agenda for the period 2015-30. It is important to share public policies that have proven to be successful. Civil society, besides being a constant reminder of our responsibilities and areas of opportunity, is collaborating in the oversight and implementation of important development projects. Triangular cooperation between southern and traditional partners is growing. South-South cooperation has to become more successful. In this respect, he pointed out the need to strengthen the data collection capacity on South-South cooperation. Effective South-South cooperation relations are often characterized by inclusive and horizontal partnerships and networks based on equity, trust and mutual learning. Mr. Pereña indicated that Mexico has promoted the need to share methodologies and data collection practices, through international cooperation. He added that the Global Partnership for Effective Development Cooperation could be a platform for the exchange of experiences and build a community of practice where demand can meet supply, with concrete and tangible effects on development cooperation, coordination and implementation.
32. Mr. Martinez-Soliman noted that financing in the MDG era was often conceived as adding up the resources available to developing countries from different sources – e.g. domestic resources, FDI, remittances – to meet the MDGs, and then fill the gap with ODA. He underscored that that this gap-filling approach is insufficient. The universality and breadth of the new agenda require moving from filling gaps to mobilising very large financial flows – from billions to trillions, as highlighted by the World Bank and other institutions. However the quality and quantity of ODA will remain crucial, in particular for LDCs. In this context, he raised some

concerns that total aid has grown while the share allocated to the poorest countries and to Africa has been decreasing in recent years. The post-2015 development agenda is much larger than aid and cannot be achieved through public finance alone. Incentives are needed to ensure that private investment decisions move the world towards sustainable development aspirations. In the future, business operations and results should contribute directly to the achievement of the sustainable development goals in ways that go beyond corporate social responsibility and philanthropy. Mr. Martinez-Soliman also stressed the importance to learn how to operate in the presence of numerous shocks to the world economy and increased volatility.

33. Ms. Killen emphasized that partnerships have been a hallmark of the OECD work for the past fifty years. The OECD sees its role as twofold: first, holding its members accountable for their development commitments; and, second, facilitating inclusive multi-stakeholder partnerships among OECD members and with low- and middle-income countries, the private sector and civil society to enhance collective impact. She mentioned some of the platforms, tools and good practices that the OECD has developed and that could contribute to a renewed global partnership for sustainable development. These include the joint work with the United Nations to support the Global Partnership for Effective Development Cooperation, as well as a range of other dialogue platforms to share experience on best practices and effective policy implementation in the areas of public sector reforms, taxes, direct investment, innovation, green growth, multinational enterprises, gender equality, fragility and conflicts. She added that peer review mechanisms are another distinguishing feature of the OECD's international cooperation toolkit. Ms. Killen outlined four success factors for successful partnerships in the post-2015 era: (1) secure high-level leadership; (2) ensure partnerships are country-led and context specific; (3) agree on principles, targets, implementation plans and enforcement mechanisms; and (4) maintain a clear focus on results.
34. In the ensuing discussion, some participants raised the issues of young emerging donor countries, as well as the need to facilitate access to credit and to increase the share of exports in GDP. The negative economic implications of climate change for developing countries were also highlighted, as well as the need to find more resources to finance the broad set of proposed sustainable development goals. There was a call to strengthen the engagement of civil society and young people in the post-2015 development agenda.

VII. Presentation on “*World economic situation and prospects*”

35. Mr. Helbling, Chief of the World Economic Studies Division of the IMF, presented the highlights of the April 2015 IMF World Economic Outlook. According to the IMF forecasts, global growth was to remain moderate and uneven in 2015 with some improvement expected in 2016, mostly due to the tensions produced by the sharp fall in oil prices accompanied by further declines in long-term interest rates and inflation, as well as the ongoing exchange rate realignment among major currencies. Although lower oil prices were a small net positive for the world economy, the downside risks have rotated from developed economies to emerging markets, especially energy exporters, and a lower potential growth in developed and major emerging market economies weighed on demand. Therefore, it was

important to use the opportunities offered by low oil prices to build up fiscal buffer. So far, most oil exporters managed to maintain expenditure levels by increasing fiscal deficits. The recent US dollar appreciation and the Yen and Euro depreciations have also been a net positive boosting global demand. However the potential risks of capital flows reversal and financial instability were real concerns for developing countries. In particular, the expected tightening by the Fed in mid-2015 raises the possibility of a “taper tantrum” with wide reverberations. Many African and low-income countries seem to have achieved a permanent upwards shift in their trend growth thanks to improved policies, structural changes and human capital improvement, despite the ending of the cyclical overheating and fall in commodity prices. Still, growth in emerging market economies has become extensive; relying on capital and labour expansion rather than productivity growth, and expectations of lower potential growth and the ongoing slowing in China could hamper investment.

36. In the ensuing discussion, participants asked questions about specific effects of world economic trends and prospects for the post-2015 development agenda, the implications of the slowdown of growth in China, the consequences of lower commodity prices for growth in Latin America, the forecasts of exchange rates for major currencies, and the duration of crisis legacies. Mr. Hebling underlined that capital flows to emerging markets and developing economies remain strong, although lower than pre-crisis levels. Policy frameworks have adjusted and many economies adopted new rules to manage capital flows. He stressed that the slowdown in China was expected and is partly policy induced. Some surprises in the dynamics of commodity prices are not caused by China and the slowdown of its economy. There are other powerful and non-market factors, such as sanctions and outages of production due to geopolitical reasons. In terms of currency fluctuations, the concern is that once exchange rates movements are set in motion, they often develop a life of their own, so there may be another dollar cycle and the adjustment will continue for some time. As for crisis legacies, Mr. Hebling said that growth for the major advanced economies is to remain relatively modest for the next five years.

VIII. Thematic debate on theme 4: “*Follow-up and the way forward: enhancing the role of ECOSOC*”

37. The thematic debate featured presentations by the Permanent Representative of Colombia to the United Nations, and Vice-President of ECOSOC, Ms. María Emma Mejía Vélez; and the Permanent Representative of the Republic of Korea to the United Nations, and Vice-President of ECOSOC, Mr. Oh Joon.
38. Ms. Vélez said that the ECOSOC should play a key role in the follow-up to the post-2015 development agenda and the Addis Ababa Conference. She mentioned that the Annual Ministerial Review of ECOSOC in July 2015 and the Quadrennial Comprehensive Policy Review (QCPR) in 2016 will make an important contribution. Ms. Vélez stressed the importance of cooperation and coordination throughout the United Nations system. She said that the new architecture for follow up and review should be based to a large degree on the experiences of the voluntary national presentations at the Annual Ministerial Reviews. With regards to follow-up mechanisms, Ms. Vélez noted that the role of the High-Level Political

Forum, General Assembly and ECOSOC is yet to be discussed and determined. She added that the first level of accountability is at the national level.

39. Mr. Oh stressed that economic growth and job creation are essential for mobilising development resources. He highlighted three main elements for the way forward: integration, implementation and interaction. First, ECOSOC is supposed to promote integration of the three aspects of the sustainable development – economic, social and environmental – in the UN system and beyond. Second, ECOSOC will play a central role in the implementation of the post-2015 development agenda in addition to the follow up on the implementation of decisions of past world summits and conferences. Third, the interaction function of ECOSOC is determined by the fact that it has been mandated to serve as a platform to coordinate global, regional and national development activities. Mr. Oh emphasized that the strength of ECOSOC lies in partnership with the subsidiary bodies as well as with various institutions and stakeholders. ECOSOC can connect the new development agenda, the operations of the UN development system and financing for development. As such, the regular exchanges and the annual Special High Level Meetings with the World Bank, IMF, WTO and UNCTAD will continue to be very useful for all parties involved.
40. In the ensuing discussion, some representatives from civil society made some proposals on how to strengthen the Special high-level meeting of ECOSOC with the World Bank, IMF, WTO and UNCTAD in the follow-up to the Addis Ababa Conference, especially on the format, structure and substantive focus of the meeting, as well as the interactions between the Council and international financial institutions. The issue of accountability at the national and global levels was also discussed, with some references to peer-reviews as useful instruments.

IX. Concluding remarks by the President of Economic and Social Council

41. The President of the Economic and Social Council expressed thanks to all participants for the constructive spirit of engagement and valuable contributions to the debate, noting that the meeting brought together all the key players involved in deliberations on the post-2015 development agenda and its means of implementation.
42. He summarized the main features of the discussions, noting, among other things:
- a) The road to Addis Ababa is challenging. The global economic outlook is uneven and there is no room for complacency. Unemployment remains very high, in particular among young people. Yet, recent economic trends are sending positive signals. It is important to create enabling national and global environments for development. A strong global economy is fertile ground for development, while a weak one will have pronounced economic implications. A package of ambitious structural reforms must be put in place in many areas, including labour markets, social sectors, infrastructure and energy. These reforms will be vital for the achievement of the post-2015 development agenda.
 - b) All sources of development finance are needed - public, private, domestic and international. ODA will remain crucial in the new financing framework,

especially for poor countries and those in special situations. At the same time, ODA alone will not be sufficient and additional resources for the new universal agenda must be unleashed.

- c) The importance of strengthening tax collection capacity and tax compliance, as well as addressing illicit financial flows was underscored several times.
 - d) With regards to the private sector, many participants underlined the potential and importance of small- and medium-sized enterprises, not only in terms of economic growth but also job creation.
 - e) The development agenda must also recognize the need for coherence and consistency of the trading system, working to address distortions in trade, non-tariff measures, tariff peaks and other policies that hurt developing countries. Completing the Doha round is important to fully harness the potential for trade and investment.
 - f) Some participants called for strengthening the role of the UN in global economic governance and international cooperation in tax matters. There were calls for governance reforms of international financial institutions to improve the voice and representation of developing countries.
43. The President of ECOSOC called for strong engagement of all relevant stakeholders in tackling the challenges ahead in formulating and implementing a new global financing framework. He stressed that the Council stands ready to play its part.