In December, the Ninth WTO Ministerial Conference adopted the Bali Ministerial Declaration and accompanying ministerial decisions collectively known as the “Bali Package”, covering trade facilitation, agriculture and development. The Bali Package represented the first major agreement among WTO members since its creation in 1995.

International trade and development

According to the Trade and Development Report, 2014 [Sales No. E.14.II.D.4], prepared by the United Nations Conference on Trade and Development (UNCTAD), the world economy had not escaped the growth doldrums of the past four years and international trade remained lacklustre. In 2012–2013, the volume of trade in goods grew by less than 2 per cent, which was below global output growth, whereas trade in services increased by 5 per cent. The world economy experienced modest improvement due to growth in developed countries. Tentative easing of fiscal austerity and a more accommodating monetary policy stance contributed to positive demand growth in the European Union, whereas the United States and Japan relied on domestic demand. Despite having managed to recover from the global financial crisis faster than developed countries, trade in developing and transition economies decelerated, with export growth further declining to 3.4 per cent, reflecting weak demand, in particular from developed countries. Moreover, as many developing countries integrated in global networks of production and trade, they increasingly experienced the effects of the global slowdown. Meanwhile, bilateral, regional and interregional free trade agreements continued to proliferate, while progress on a multilateral trade system stalled. Also, commodity prices continued to decline from their peaks reached in 2011.

In April, a special high-level meeting of the Economic and Social Council with the Bretton Woods institutions—the World Bank Group and the International Monetary Fund—the World Trade Organization (WTO) and the United Nations Conference on Trade and Development (UNCTAD) addressed coherence, coordination and cooperation in the context of financing for sustainable development and the post-2015 development agenda. In May, the Council held a special meeting on international cooperation in tax matters.

At its annual session in September, the Trade and Development Board—the governing body of UNCTAD—took action on its contribution to the implementation of the Istanbul Programme of Action for Least Developed Countries, economic development in Africa and UNCTAD technical cooperation activities and their financing.

In October, the General Assembly held its sixth High-level Dialogue on Financing for Development on the status of implementation and the tasks ahead for the Monterrey Consensus and Doha Declaration on financing for development. Participants reaffirmed that the Monterrey Consensus and Doha Declaration on Financing for Development provided a sound conceptual basis for discussions on the financing strategy for the post-2015 development agenda.

Multilateral trading system

Report of Secretary-General. In response to General Assembly resolution 67/196 [A/68/205] on international trade and development. The
report discussed relevant trends in the topic and major developments in the multilateral trading system. According to the report, the multilateral trading system witnessed major challenges as the World Trade Organization (WTO) Doha Round negotiations, launched in 2001 [YUN 2001, p. 1432], remained at an impasse and attention was increasingly shifting to plurilateral and regional approaches. Reinvigorating the global partnership for development and ensuring effective functioning of the multilateral trading system were key elements of the post-2015 development agenda.

The Secretary-General stated that trade should play a central role in international efforts towards the post-2015 development agenda for inclusive and sustainable development. Conscious trade policy efforts, supported by complementary policies within an integrated strategic development framework, were needed, as the successful transmission of gains from trade integration to broad-based inclusive development would not be an automatic process. The role of the State would be pivotal in identifying and implementing policy mixes best suited to national conditions. Furthermore, strengthening coherence in international economic policymaking would be instrumental to align trade liberalization approaches with inclusive development imperatives. Beyond the Doha Round, reinvigorating the negotiating function of the multilateral trading system would need to be tackled in the future. He concluded that the UN system could and should play a catalytic role in strengthening the multilateral trading system through increased access to markets for goods and services in developed countries and preferential rules of origin. Negotiators were instructed to prepare a clearly defined work programme on the remaining unsolved issues of the Doha Development Agenda. At the Conference, ministers agreed and accepted Yemen as a new member of WTO.

**GENERAL ASSEMBLY ACTION**

On 20 December [meeting 71], the General Assembly, on the recommendation of the Second (Economic and Financial) Committee [A/68/436/Add.1], adopted resolution 68/199 without vote [agenda item 17 (a)].

### International trade and development

The General Assembly,


Recalling the United Nations Millennium Declaration, as well as the outcomes of the International Conference on Financing for Development and the World Summit on Sustainable Development, the 2005 World Summit Outcome and the Doha Declaration on Financing for Development: outcome document of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus,

Recalling also the Conference on the World Financial and Economic Crisis and Its Impact on Development and its outcome document,

Recalling further the high-level plenary meeting of the General Assembly on the Millennium Development Goals and its outcome document,

Recalling the Fourth United Nations Conference on the Least Developed Countries and its outcome documents,

Recalling also the thirteenth session of the United Nations Conference on Trade and Development, held in Doha from 21 to 26 April 2012, and its outcome documents,

Recalling further the United Nations Conference on Sustainable Development and its outcome document, entitled “The future we want”,

Reaffirming the value of multilateralism to the global trading system and the commitment to achieving a universal, rules-based, open, non-discriminatory and equitable multilateral trading system that contributes to growth, sustainable development and employment generation in all sectors, and emphasizing that bilateral and regional trading arrangements should contribute and be complementary to the goals of the multilateral trading system,

Reiterating that development concerns form an integral part of the Doha Development Agenda, which places the needs and interests of all developing countries, especially

LDCs would benefit from the multilateral trading system through increased access to markets for goods and services in developed countries and preferential rules of origin.

**WTO report.** According to the WTO Annual Report 2014, trade negotiations in 2013 reached a milestone with the agreement of the “Bali Package” at the Ninth Ministerial Conference (see below), the first major agreement among WTO members since its creation in 1995 [YUN 1994, p. 1434]. In the lead-up to the Conference, an intensive consultative process took place at WTO Headquarters in Geneva. In September, Roberto Azevêdo was appointed WTO Director General for a four-year term, as well as Chair of the Trade Negotiations Committee.

**WTO Ministerial Conference.** The Ninth Ministerial Conference of WTO (Bali, Indonesia, 3–7 December) adopted the “Bali Package”, which included the Bali Ministerial Declaration; ministerial decisions on the Doha Development Agenda (Doha Round) relating to trade facilitation—a Trade Facilitation Agreement—agriculture, cotton, and development and least developed country (LDC) issues; and ministerial decisions on the regular work of WTO. The package sought to bring food security to billions of the world’s poorest people and the Trade Facilitation Agreement aimed to inject up to $1 trillion into the world economy and benefit all members, particularly developing countries.
the least developed countries, at the heart of the Doha Work Programme of the World Trade Organization.

Reaffirming that agriculture remains a fundamental and key sector for developing countries, and noting the importance of working towards eliminating all forms of protectionism and the commitments to comprehensive negotiations aimed at substantial improvement in market access, substantial reduction in trade-distorting national support and the parallel elimination of all forms of export subsidies and disciplines on all export measures with equivalent effect as provided in the mandate from the Doha Work Programme, the framework adopted by the General Council of the World Trade Organization on 1 August 2004 and the Hong Kong Ministerial Declaration adopted by the World Trade Organization in 2005,

Recalling the Marrakesh Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least Developed and Net Food-importing Developing Countries,

Recognizing the importance of competition policy and legislation in order to enhance the international competitiveness of developing countries,

Expressing deep concern about the ongoing adverse impacts, particularly on development, of the world financial and economic crisis, recognizing evidence of an uneven and fragile recovery, cognizant that the global economy, notwithstanding significant efforts that helped contain tail risks, improve financial market conditions and sustain recovery, still remains in a challenging phase, with downside risks, including high volatility in global markets, high unemployment, particularly among youth, indebtedness in some countries and widespread fiscal strains, which pose challenges for global economic recovery and reflect the need for additional progress towards sustaining and rebalancing global demand, and stressing the need for continuing efforts to address systemic vulnerabilities and imbalances and to reform and strengthen the international financial system while implementing the reforms agreed upon to date,

Noting that, while some developing countries have been the main contributors to recent global economic growth, the economic crisis has reduced their capacity to withstand further shocks, recalling the commitments made to support development and strong, sustained, balanced and inclusive economic growth, and reaffirming the need to work cooperatively to meet development commitments to achieve the Millennium Development Goals by 2015,

1. Takes note of the report of the Trade and Development Board and the report of the Secretary-General;

2. Reaffirms that international trade is an engine for development and sustained economic growth, and also reaffirms the critical role that a universal, rules-based, open, non-discriminatory and equitable multilateral trading system, as well as meaningful trade liberalization, can play in stimulating economic growth and development worldwide, thereby benefiting all countries at all stages of development;

3. Emphasizes the need to resist protectionist tendencies and to rectify any trade-distorting measures that are inconsistent with World Trade Organization rules, recognizing the right of countries, in particular developing countries, to fully utilize flexibilities consistent with their World Trade Organization commitments and obligations;

4. Expresses serious concern at the lack of progress in the Doha Round of World Trade Organization negotiations, reiterates the call for the necessary flexibility and political will in order to break the current impasse in the negotiations, and in this regard calls for a balanced, ambitious, comprehensive and development-oriented outcome of the Doha Development Agenda multilateral trade negotiations, in keeping with the development mandate of the Doha Ministerial Declaration, the decision of 1 August 2004 of the General Council of the World Trade Organization and the Hong Kong Ministerial Declaration adopted by the World Trade Organization in 2005;

5. Recognizes the importance of the decisions of the Eighth Ministerial Conference of the World Trade Organization, held in Geneva from 15 to 17 December 2011, including the decision to allow members of the World Trade Organization to provide preferential treatment to services and suppliers from the least developed countries;

6. Acknowledges that trade has an important role in ensuring the sustainable economic development of the least developed countries and that the international trade architecture should continue to be supportive of and responsive to the special needs and priorities of the least developed countries;

7. Welcomes the appointment of the Director General of the World Trade Organization;

8. Also welcomes the appointment of the Secretary-General of the United Nations Conference on Trade and Development;

9. Further welcomes the convening of the Ninth Ministerial Conference of the World Trade Organization, in Bali, Indonesia, from 3 to 7 December 2013, and stresses the need for a balanced, ambitious, comprehensive and development-oriented outcome;

10. Reaffirms the commitments made at the Fourth Ministerial Conference of the World Trade Organization relating to the least developed countries, and encourages developed countries, and developing countries declaring themselves in a position to do so, to take steps towards the goal of realizing the timely implementation of duty-free and quota-free market access on a lasting basis for all least developed countries, consistent with the Hong Kong Ministerial Declaration;

11. Emphasizes the full, timely and effective implementation of the relevant provisions of the Programme of Action for the Least Developed Countries for the Decade 2011–2020;

12. Reaffirms the Marrakesh Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least Developed and Net Food-importing Developing Countries;

13. Stresses the need to remove food export restrictions and extraordinary taxes on food purchased for non-commercial, humanitarian purposes by the World Food Programme and to not impose them in the future;

14. Also stresses the need to increase investment from all sources in agriculture and rural development, including through the provision of technical and financial assistance, as appropriate, to the least developed and net food-importing developing countries, with a view to increasing their agricultural productivity and infrastructure;

15. Recognizes the particular challenges that may be faced by small, vulnerable economies to fully benefit from the multilateral trading system in a manner commensurate with their special circumstances, and in this regard encourages progress in the implementation of the World Trade Or-
organization work programme on small economies, as mandated in the 2001 Doha Ministerial Declaration and the 2005 Hong Kong Ministerial Declaration, which supports their efforts towards sustainable development;

16. Stresses the need to identify and develop strategies to expand trade opportunities for women producers and facilitate the active participation of women in national, regional and global trade decision-making structures and processes, thereby ensuring that women- and men-owned businesses and farms have equal opportunities in markets;

17. Reaffirms the commitment to address the special development needs of and the challenges faced by landlocked developing countries, and calls for the full, timely and effective implementation of the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries, in accordance with the Declaration of the high-level meeting of the sixty-third session of the General Assembly on the midterm review of the Almaty Programme of Action;

18. Expresses concern about the adoption of unilateral actions that are not consistent with the rules of the World Trade Organization, harm the exports of all countries, in particular those of developing countries, and have a considerable bearing on the ongoing World Trade Organization negotiations and on the achievement and further enhancement of the development dimension of the trade negotiations;

19. Notes the holding in Geneva from 8 to 10 July 2013 of the Fourth Global Review of Aid for Trade, aimed at reviewing progress achieved and identifying additional measures needed to support developing and least developed countries in building their supply and export capacities, and stresses the need to implement the aid-for-trade commitments, with sufficient focus on results and impact;

20. Recognizes that South-South trade should be strengthened, notes that enhanced market access between developing countries can play a positive role in stimulating South-South trade, and in this regard, inter alia, takes note of the conclusion of the third round of the Global System of Trade Preferences among Developing Countries, by the adoption, on 15 December 2010, of the São Paulo Round Protocol;

21. Reiterates the important role of the United Nations Conference on Trade and Development as the focal point within the United Nations system for the integrated treatment of trade and development and interrelated issues in the areas of finance, technology, investment and sustainable development, invites the Conference to continue working to enhance its contribution in its three major pillars, namely, consensus-building, research and policy analysis and technical assistance, and calls upon the international community to work towards the strengthening of the Conference;

22. Invites the United Nations Conference on Trade and Development to continue, in accordance with its mandate, to monitor and assess the evolution of the international trading system and of trends in international trade from a development perspective, and in particular to analyse issues of concern to developing countries, placing greater emphasis on practical solutions, to undertake policy analysis, including from a gender perspective, to work with all relevant stakeholders and to support developing countries in building productive national capacities and international competitiveness, including through technical assistance activities;

23. Recognizes the role of the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries;

24. Requests the Secretary-General, in collaboration with the secretariat of the United Nations Conference on Trade and Development, to submit to the General Assembly at its sixty-ninth session a report on the implementation of the present resolution and developments in the multilateral trading system, including their impact on women and men, under the sub-item entitled “International trade and development” of the item entitled “Macroeconomic policy questions”;

25. Also requests the Secretary-General to transmit the present resolution to the Director General of the World Trade Organization.

On 20 December (decision 68/540), the General Assembly took note of the report of the Second Committee on macroeconomic policy questions [A/68/436 & Add.1–4], including those related to international trade and development.

**United Nations Conference on Trade and Development**

**Trade and Development Board**


At its twenty-seventh special session, TDB unanimously approved the decision to recommend to the General Assembly to accept the offer of Peru to host UNCTAD XIV in 2016 [A/68/15 (Part II) (dep. 517(S-XXVII))]. The outgoing TDB President handed stewardship of the Board to his successor to serve the remaining six months of the one-year term.

At its fifty-seventh executive session, TDB took note of the report of the Working Party on the Strategic Framework and the Programme Budget [TD/B/WP/250] on its sixty-fourth session, and the report of the 47th Session of the International Trade Centre Joint Advisory Group meeting [ITC/AG(XLVII)/251]. The Board also took note of the report of the Investment, Enterprise and Development Commission [TD/B/C.II/22 & Corr.1] on its fifth session and endorsed the agreed conclusions (see p. 913). The Board further agreed that regional coordinators would communicate with the secretariat once consensus had been reached on the terms of reference for the three expert meetings. The Board adopted, on the basis of consensus, the modalities for the commemoration of the fiftieth anniversary of UNCTAD. The Board also approved the applications of three non-governmental organizations (NGOs) seeking observer status.
At its sixtieth annual session, TDB adopted agreed conclusions on the UNCTAD contribution to the implementation of the Istanbul Programme of Action for LDCs (see below) and on economic development in Africa (see below). It also adopted decisions on technical cooperation activities of UNCTAD (see below) and the follow-up to the Joint Inspection Unit report and the agreed conclusions of the twenty-sixth (2012) special session of TDB (see p. 913). In other action, the Board took note of the report on UNCTAD assistance to the Palestinian people; developments in the economy of the Occupied Palestinian Territory [TD/B/60/3 & Corr.1, 2]; the report of the fourth UNCTAD Public Symposium [TD/B/60/6]; the forty-sixth annual report of the United Nations Commission on International Trade Law [A/68/17]; the report of the fifth session of the Trade and Development Conference [TD/B/C.1/31] (see p. 914); and the report by the President of the Advisory Body set up in accordance with paragraph 166 of the Bangkok Plan of Action [TD/B/60/CR P.2]. TDB also took note of and endorsed the agreed conclusions and the draft decision of the Working Party on the Strategic Framework and the Programme Budget on its sixty-fifth session [TD/B/WP/255] (ibid.); and took action on institutional, organizational, administrative and related matters.

At its fifty-eighth executive session, TDB took note of the UNCTAD Least Developed Countries Report 2013 [Sales No. E.13.II.D.1]. It also took note of the report of the Working Party on the Strategic Framework and the Programme Budget on its sixty-sixth session; endorsed the agreed conclusions [TD/B/WP/257/Rev.1]; and approved the applications of five NGOs seeking observer status.

The Assembly, on 20 December (decision 68/541), took note of the report of TDB on its twenty-seventh special session [A/68/15 (Part II & Corr.1)], which was held in Geneva on 22 March, and the decision contained therein, and welcomed the offer of the Government of Peru to host UNCTAD XIV in 2016.

**Appointment of UNCTAD Secretary-General.**

On 10 June (decision 67/419), the General Assembly confirmed the appointment by the Secretary-General of Mukhisa Kituyi (Kenya) as Secretary-General of UNCTAD for a four-year term of office, beginning on 1 September 2013 and ending on 31 August 2017.

**Implementation of the outcome from LDC-IV**

At its sixtieth annual session [A/68/15 (Part IV)], TDB had before it the second progress report [TD/B/60/8 & Corr.1] on the contribution of UNCTAD to the implementation of the Programme of Action for LDCs for the Decade 2011–2020. The Fourth United Nations Conference on the Least Developed Countries [YUN 2011, p. 906] adopted the Istanbul Programme of Action. The second progress report introduced the ongoing work of the secretariat in measuring and benchmarking productive capacities in LDCs. It identified domestic gaps and limitations and indicated where LDCs stood in building their productive capacities with respect to agreed targets, benchmarks and indicators. The report also provided policy conclusions and recommendations for action by LDCs and their development partners with a view to effectively address challenges in accelerating structural transformation of their economies.

TDB took note of the main findings of the report, stressing the need for LDCs to undertake actions to improve the quantity and quality of data in their countries, including building national statistical capacities and national monitoring mechanisms. The Board requested UNCTAD to enhance its analytical work aimed at developing performance measures and quantifiable indicators to measure economy-wide productive capacities with a view to providing an operational methodology and policy guidelines on mainstreaming productive capacities into national development policies and strategies in LDCs [agreed conclusions 518(LX)].

**Industrial development in Africa**

At its sixtieth annual session [A/68/15 (Part IV)], TDB had before it the UNCTAD Economic Development in Africa Report 2013: Intra-African Trade: Unlocking Private Sector Dynamism [Sales No. E.13.II.D.2]. The report focused on how to strengthen the private sector to boost intra-African trade, highlighting distinctive features of the enterprise structure in Africa. The Board also had before it the overview report on the topic [TD/B/60/4].

Taking note of the main message reflected in the report—that intra-African trade presented opportunities for sustained growth and development and job creation in Africa—and stressing that seizing those opportunities required, inter alia, unlocking private sector dynamism and adopting a development-based approach to regional integration, the Board acknowledged that the private sector had a crucial role to play in boosting intra-African trade. The Board requested UNCTAD to continue its research and analysis on Africa’s development issues and to strengthen the developmental impact of its activities through the three pillars of UNCTAD; and encouraged UNCTAD to continue its collaboration with the African Union Commission, the Economic Commission for Africa and other relevant international organizations [agreed conclusions 519(LX)].

**Evaluation**

At its sixtieth annual session [A/68/15 (Part IV)], TDB took note of the technical cooperation activities carried out by the UNCTAD secretariat [TD/B/WP/253] and expressed concern about the decrease in contributions, taking into consideration the constraints caused by the global financial and economic crisis. The Board encouraged development partners to make multi-
year contributions to UNCTAD technical cooperation [A/68/15 (Part IV) (dec. 521(LX))].

In the follow-up to a Joint Inspection Unit report [JIU/REP/2012/1] and agreed conclusions of the Board’s twenty-sixth (2012) special session [YUN 2012, p. 939], TDB decided to express its appreciation to the secretariat for its efforts to prepare the progress report on the implementation of the workplan for enhancing the management and administration of UNCTAD [TD/B/60/5]. The Board requested the secretariat to enhance the management and administration of UNCTAD through the implementation of the presented workplan and expected a progress report at its sixty-first (2014) session [dec. 521(LX)].

Subsidiary bodies

During the year, the Trade and Development Commission held its fifth session (Geneva, 17–21 June) [TD/B/C.I/31] (see below); the Investment, Enterprise and Development Commission also held its fifth session (Geneva, 29 April–3 May) [TD/B/C.II/22 & Corr.1] (see below); the Intergovernmental Group of Experts on Competition Policy and Law held its thirteenth session (Geneva, 8–10 July) [TD/B/C.I/CLP/25 & Corr.1] (see p. 937); the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting held its thirtieth session (Geneva, 6–8 November) [TD/B/C.II/ISAR/68 & Corr.1] (see p. 938); and the Working Party on the Strategic Framework and the Programme Budget held its sixty-fourth (Geneva, 4–5 March) [TD/B/ WP/250], sixty-fifth (Geneva, 2–4 September) [TD/B/ WP/255] and sixty-sixth sessions (Geneva, 2–4 December) [TD/B/WP/257/Rev.1] (see p. 914).

Trade and Development Commission

The Trade and Development Commission, at its fifth session [TD/B/C.I/31], took note of the reports of UNCTAD on the impact of trade on employment and poverty reduction [TD/B/C.I/29]; recent developments and trends in international maritime transport affecting trade of developing countries [TD/B/C.I/80]; the Multi-year Expert Meeting on Trade, Services and Development [TD/B/C.I/MEM.4/3], the Multi-year Expert Meeting on Promoting Economic Integration and Cooperation [TD/B/C.I/MEM.6/3] and the Multi-year Expert Meeting on Enhancing the Enabling Economic Environment at All Levels in Support of Inclusive and Sustainable Development [TD/B/C.I/MEM.5/3]; the Multi-year Expert Meeting on Commodities and Development on its fifth session [TD/B/C.I/MEM.5/3]; and the Expert Meeting on Tourism’s Contribution to Sustainable Development [TD/B/C.I/EM.5/3].

The Commission also had before it the progress reports on the implementation of the provisions of the Doha Mandate [YUN 2012, p. 938] related to key trade and development issues [UNCTAD/DITC/2013/1]; on promoting and strengthening synergies among the three pillars related to transport and trade facilitation and cross-divisional capacity-building [TD/B/C.I/CRP.4]; and on activities related to the implementation of the provisions of the Doha Mandate associated with commodities [TD/B/C.I/CRP.3].

In agreed conclusions, the Commission stressed that the impact of integration into the global economy on employment and poverty varied between countries and sectors. In that regard, analyses should be undertaken on how trade could benefit those sectors that were labour-intensive or generated income opportunities for the poor, women and youth. The Commission further emphasized that development of productive capacity in higher value added goods combined with appropriate policies, including an export-led strategy, offered expanded potential for job creation and poverty reduction. The Commission also recognized the major importance of global sea shipping services for trade and trade competitiveness, as well as the necessity to foster access to such services by developing countries. It also recognized that, in order to increase their participation in the global trading system, developing countries needed to have access to the necessary technical and financial assistance and capacity-building in the implementation of trade facilitation.

Investment, Enterprise and Development Commission

The Investment, Enterprise and Development Commission, at its fifth session [TD/B/C.II/22 & Corr.1], addressed issues in the areas of foreign direct investment, enterprise and private sector development, and science, technology and innovation that had emerged since UNCTAD XIII [YUN 2012, p. 937], with their implications for inclusive and sustainable development.


The Commission also had before it an UNCTAD progress report [UNCTAD/DIAE/2013/2] on promoting and strengthening the synergies among its three pillars of work in the area of investment and enterprise development and an annual activity report [UNCTAD/ DTL/2013/1] on the implementation of the provisions of the Accra Accord related to the areas of work on science, technology and innovation, and information and communications technologies.

In agreed conclusions, the Commission acknowledged the secretariat’s Entrepreneurship Policy Framework as an important tool for productive capacity-building in national development policies and strategies, and encouraged the secretariat to continue
assisting developing countries and to further promote the exchange of best practices on enterprise development. It requested the secretariat to continue reporting and monitoring on the most recent trends and policies in investment and enterprise for development and to further promote the use of the Investment Policy Framework for Sustainable Development. The Commission also requested the secretariat to continue its assistance to developing countries in making science, technology and innovation an instrument for supporting national development and competitiveness and export diversification.

**Working Party on the Strategic Framework and Programme Budget**

The Working Party on the Strategic Framework and Programme Budget, at its sixty-fourth session [TD/B/WP(250)], took note of the report on the implementation of the UNCTAD communications strategy and publications policy [TD/B/WP(249)], the report on the readership survey [TD/B/WP(64)/CRP.1] and other information supplied by the secretariat. The Working Party encouraged the secretariat to assess and report on the impact of its publications; to continue the promotion and outreach of all its programme publications via appropriate means to accommodate the different needs of users; and to further coordinate with the United Nations Office at Geneva to ensure timely translations of UNCTAD publications.

During its sixty-fifth session [TD/B/WP(255)], the Working Party agreed on a draft decision on the review of UNCTAD technical cooperation activities and their financing, to be presented to the sixtieth session of TDB. The Working Party prepared agreed conclusions on the external evaluation of UNCTAD subprogramme I: globalization, interdependence and development [TD/B/WP(252)], and the follow-up on evaluations related to the third progress report on the implementation of recommendations from the evaluation of UNCTAD technical cooperation activities dedicated to LDCs, landlocked developing countries (LLDCs), small island developing States (SIDS) and other structurally weak, vulnerable and small economies. The Working Party decided that recommendations from the evaluation of the UNCTAD programme on science and technology for development would be discussed further by the Regional Coordinators who would report the outcome of those discussions at the sixty-sixth session of the Working Party.

At its sixty-sixth session [TD/B/WP(257/Rev.1)], the Working Party reviewed the proposed UNCTAD Biennial Programme Plan for the period 2016–2017 [TD/B/WP(66)/CRP.1/Rev.1]. Having further discussed the external evaluation of the UNCTAD subprogramme on globalization, interdependence and development, 2008–2012 [TD/B/WP(252)], supporting materials for the evaluation [TD/B/WP(65)/CRP.2] and the management response to the evaluation [TD/B/WP(65)/CRP.1], the Working Party requested the secretariat to implement the recommendations of the evaluation. The Working Party, having further discussed the recommendations contained in the evaluation report on the UNCTAD programme on science and technology for development [TD/B/WP(234) & TD/B/WP(59)/CRP.1], endorsed the workplan presented by the secretariat for implementation of the recommendations and requested the secretariat to proceed with its implementation. Recognizing its importance, the Working Party also took note of the draft UNCTAD fundraising strategy.

**International Trade Centre**

The joint UNCTAD/WTO International Trade Centre (ITC), as set forth in its Annual Report 2013 [ITC/AG(XLVII)/254], continued to focus on strengthening its core competencies, as well as embarking into new areas where demand had increased. The report presented ITC achievements during the year against six strategic objectives: supplying trade and market intelligence for small- and medium-sized enterprise competitiveness; supporting regional and economic integration and South-South trade; connecting to value chains: small- and medium-sized enterprise competitiveness, diversification and links to export markets; strengthening trade and investment support institutions; promoting and mainstreaming inclusive and green trade; and building a conducive policy and business environment through public-private partnerships. In 2013, ITC had 162 active projects and provided programme support that enabled 665 enterprises to meet potential buyers with whom they subsequently had business transactions. National counterparts endorsed 18 export development strategies and 140 trade support institutions improved their services and management capacities. ITC conducted 448 capacity-building workshops with 15,850 participants, 32 per cent of whom were women.

During the year, the distribution of extra-budgetary ITC expenditure on programme delivery by region was as follows: sub-Saharan Africa, 57 per cent; Asia-Pacific, 21 per cent; Arab States, 8 per cent; Eastern Europe and Central Asia, 8 per cent; and Latin America and the Caribbean, 6 per cent. In aggregate, 64 per cent of expenditure was on programmes in LDCs, LLDCs, SIDS and sub-Saharan Africa.

**Joint Advisory Group**

The Joint Advisory Group (JAG) on ITC, at its forty-seventh session (Geneva, 6–7 May) [ITC/AG(XLVII)/251], discussed ITC activities based on the Centre’s Annual Report 2012 [YUN 2012, p. 942], the stewardship of the outgoing ITC Executive Director and ITC impact measurement methodologies. The Secretary-General of UNCTAD underlined the importance of creating a culture of results-based management in UNCTAD and acknowledged the successes of
ITC in that area. He also discussed key issues that would affect the context in which ITC would work in years to come, including efforts towards regional economic integration. He further noted that gains from expanded trade had been spread unevenly and that trade's beneficial impact on poverty reduction had yet to be seen in many countries. He stated that the role of ITC in the Aid for Trade agenda [YUN 2005, p. 1593] would take on greater importance in the future. Increased focus on three additional sources of funding was needed, namely for South-South trade-related capacity-building; domestic resource mobilization; and private sector investment.

Jag commended ITC for its efforts to improve transparency and accountability, and confirmed the strategic importance of large multi-year programmes for the sustainability of the impact-oriented strategy of ITC. Delegates encouraged ITC to continue building the export capacity of the private sector with a view to integrate small- and medium-sized enterprises in global and regional value chains, focusing in particular on LDCs, LLDCs, SIDS, sub-Saharan Africa and the more vulnerable economies. Delegates expressed support for the upcoming ITC evaluation and its capacity to provide an independent assessment of past progress; for ITC efforts in identifying non-tariff measures as obstacles to trade as well as its focus on the development of trade intelligence for LDCs; and for the focus of ITC on women and trade.

Administrative and budgetary matters

Pursuant to General Assembly resolution 67/236 [YUN 2012, p. 1459], the Secretary-General submitted in March a preliminary budget for the ITC programme activities for the 2014–2015 biennium [A/68/6 (Sect.13)] and, in September, detailed estimated resource requirements and projected income for that biennium [A/68/6 (Sect.13)/Add.1]. The budget was to be funded equally by WTO and the United Nations, acting through UNCTAD. The overall resources required for the 2014–2015 biennium for ITC amounted to SwF 73,209,300 before re-costing, which represented a decrease of SwF 2,177,000, or 2.9 per cent, compared with the 2012–2013 biennium. The proposed resources were partially offset by a projected income of SwF 400,000, leaving a net amount of SwF 73,881,700 to be shared equally between WTO and the United Nations. The regular budget resources for the biennium were to be supplemented by extrabudgetary resources amounting to approximately $88,000,000, equivalent to SwF 82,632,000. That represented an increase of approximately 8.7 per cent of the total extrabudgetary expenditure projected during the 2012–2013 biennium. The Advisory Committee on Administrative and Budgetary Questions issued its recommendation to the Assembly in a November report [A/68/7/Add.6].

On 27 December, the Assembly, in section X of resolution 68/247 A (see p. 1458), approved resources for ITC in the amount of $39,913,900 (corresponding to the United Nations share equivalent of SwF 36,960,271) for the 2014–2015 biennium.

Other matters

Public Symposium

The fourth UNCTAD Public Symposium (Geneva, 16–27 September) [TD/B/60/6] was centred on the theme of new economic approaches for a coherent post-2015 agenda. Participants discussed a range of issues related to macroeconomic and financial governance at national and international levels and trade and investment rules for inclusive and sustainable development. It was concluded that the prevailing form of globalization had not yielded benefits for everyone. Attention was paid to the need to renew global macroeconomic and financial governance, particularly with increased participation by developed countries in decision-making processes. Participants called for the implementation of a financial transaction tax to protect against speculation through sound financial regulation; a restructuring of international trade and investment agreements to ensure equitable sharing of benefits; as well as restoration of national policy space. The Symposium reiterated calls for an increased role for civil society in the design and implementation of a post-2015 development strategy.

Commodities

Report of Secretary-General. In July, the Secretary-General transmitted to the General Assembly a report [A/68/204] on world commodity trends and prospects, presenting an update on prices since the previous report in 2011 [YUN 2011, p. 910]. It reviewed the main international initiatives adopted to coordinate responses to excessive price volatility and provided a perspective on regional arrangements for creating physical grain reserves. Since the second quarter of 2009, prices had rebounded strongly due mainly to a combination of factors, including robust demand from emerging economies, supply constraints from major exporters and speculative trading. In the first five months of 2013, although price trends diverged among different groups of commodities, they were less volatile than in the last quarter of 2012.

The UNCTAD all food commodity price index remained at historical heights since early 2011, despite short-term price fluctuations. In July 2012, the price index rose sharply to 283 points and fell steadily to 253 points in April 2013, which was still 30 per cent higher than its 10-year average of 195 points. Reduced supply in the food markets caused by adverse weather in major producing countries drove up the prices of major cereals in 2012.

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The price of crude oil remained relatively stable, despite geopolitical tensions in the Middle East and the uncertainty of the world economic outlook. Although the metals market registered a downturn since the second quarter of 2012 due to weakening demand from major consumers, in the last quarter of the year, the prices of key base metals and gold surged sharply on the announcement of monetary easing by the central banks of major developed economies.

In response to the high commodity price volatility in the agricultural, energy and metals markets, the international community adopted initiatives to address its negative effects on vulnerable groups. The Agricultural Market Information System, the High-Level Task Force on the Global Food Security Crisis, the Global Agriculture and Food Security Programme and the Zero Hunger Challenge were targeted at the agriculture and food sectors. Improvements to the Joint Oil Data Initiative (Jodi) oil and the creation of Jodi-gas, a similar initiative for gas, were focused on countering excessive price volatility in energy markets. There was a revived interest in the constitution of regional grain reserves in the aftermath of the food crisis in 2008 and subsequent threats to food security, with the main objective of enhancing access to food (particularly for vulnerable groups) in situations of excessive price volatility where markets had collapsed. The report concluded that the international community, including UNCTAD, could contribute to building consensus on the relevance of grain reserves to ensure that vulnerable groups were sufficiently catered to during future severe shocks to food markets.

**GENERAL ASSEMBLY ACTION**

On 20 December (meeting 71), the General Assembly, on the recommendation of the Second Committee (A/68/436/Add.4), adopted resolution 68/203 without vote (agenda item 17 (g)).

**Commodities**


_Recalling also_ the United Nations Millennium Declaration adopted by Heads of State and Government on 8 September 2000, the 2005 World Summit Outcome adopted on 16 September 2005 and its resolution 60/265 of 30 June 2006 on the follow-up to the development outcome of the 2005 World Summit, including the Millennium Development Goals and the other internationally agreed development goals, the outcome document of the high-level plenary meeting of the General Assembly on the Millennium Development Goals and the outcome document of the special event to follow up efforts made towards achieving the Millennium Development Goals, convened by the President of the General Assembly on 25 September 2013,

_Recalling further_ the Programme of Action for the Least Developed Countries for the Decade 2011–2020,

_Taking note_ of the targets set out in the Declaration of the World Summit on Food Security, held in Rome from 16 to 18 November 2009, which reaffirms the pledge to end hunger and poverty,


_Taking note also_ the International Conference on Financing for Development, held in Monterrey, Mexico, from 18 to 22 March 2002, and the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, held in Doha from 29 November to 2 December 2008,

_Taking note of_ the outcome of the thirteenth session of the United Nations Conference on Trade and Development, and of further decisions and agreed conclusions on commodities adopted by the Trade and Development Board and its subsidiary bodies in 2012 and 2013,

_Taking note also_ of the political declaration of the high-level meeting on Africa’s development needs, held in New York on 22 September 2008,

_Taking note further_ of the Arusha Declaration and Plan of Action on African Commodities adopted at the African Union Conference of Ministers of Trade on Commodities, held in Arusha, United Republic of Tanzania, from 21 to 23 November 2005, and endorsed by the Executive Council of the African Union at its eighth ordinary session, held in Khartoum from 16 to 21 January 2006,

_Taking note also_ of the Plan of Implementation of the World Summit on Sustainable Development (Johannesburg Plan of Implementation), and the outcome document of the United Nations Conference on Sustainable Development, held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, entitled “The future we want”,

_Deeply concerned_ by the fact that many commodity-dependent developing countries and economies in transition continue to be highly vulnerable to price fluctuations, and recognizing the need to continue efforts to improve the regulation, where appropriate, and the efficiency, responsiveness, functioning and transparency of financial and commodity markets nationally, regionally and internationally in order to address excessive commodity price volatility,

_Expressing deep concern_ about the ongoing adverse impacts, particularly on development, of the world financial and economic crisis, recognizing evidence of an uneven and fragile recovery, cognizant that the global economy, notwithstanding significant efforts that helped to contain tail risks, improve financial market conditions and sustain recovery, still remains in a challenging phase, with downside risks, including high volatility in global markets, high unemployment, particularly among youth, indebtedness in some countries and widespread fiscal strains, which pose challenges for global economic recovery and reflect the need for additional progress towards sustaining and rebalancing global demand,

_Recognizing_ the adverse impact of excessive price volatility of commodities, especially on women and girls,

_Recognizing also_ that many developing countries continue to be highly dependent on primary commodities as their principal source of export revenues, employment, in-
of economic generation and domestic savings and as the driving force of investment, economic growth and social development, including poverty eradication.

Recognizing further, in this context, that many least developed countries, small island developing States, land-locked developing countries and African countries are highly dependent on primary commodities, and recognizing also the challenges and special needs of those countries, many of which are not on track to achieve the Millennium Development Goals by 2015,

Recognizing that uncertainty in global commodity markets reinforces the need to comprehensively deal with the commodity problematique, inter alia, the demand for commodities, supply capacities, commodity revenues and investments in commodity-dependent economies, while taking due account of the diversity of each country’s individual situation and needs and the promotion of their sustainable development, and to strengthen the nexus between, inter alia, trade, food, finance, investment in sustainable agriculture, energy and industrialization,

Stressing the importance of policies to address longer-term structural issues of the commodity economy and integrate commodity policies into wider development and poverty eradication strategies at all levels,

Taking note of all relevant voluntary initiatives aimed at improving transparency in commodity markets and mitigating the impact of excessive price volatility,

Underlining the importance of policies to address longer-term structural issues of the commodity economy and integrate commodity policies into wider development and poverty eradication strategies at all levels,

Stressing the importance of increased investment in infrastructure as a means of promoting agricultural development and enhancing commodity diversification, including value-added production, and trade, and urges the international community to assist commodity-dependent developing countries to mainstream trade as well as sound investment and financial policies as key elements of development strategies, based on national circumstances and development priorities, and to invest in and support research and development of agriculture productivity;

Recognizes the endorsement of the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security by the Committee on World Food Security in 2012;

Also recognizes the ongoing inclusive consultative process within the Committee on World Food Security to develop voluntary and non-binding principles for responsible agricultural investments that are intended for all stakeholders that are involved in, benefit from or are affected by these principles;

6. Calls for a coherent set of policy actions at the national, regional and international levels to address excessive price volatility and support commodity-dependent developing countries in mitigating negative impacts, in particular by facilitating value addition and enhancing their participation in commodity and related product value chains, by supporting large-scale diversification of these economies and by encouraging the use and further development of market-oriented risk management tools, instruments and strategies;

7. Stresses the importance of developing and strengthening agricultural policies and strategies that recognize and address women’s critical role in food security and improved nutrition outcomes as an integral part of both short- and long-term responses to food insecurity and malnutrition, excessive price volatility and food crises in developing countries;

8. Recognizes the potential for innovation, productivity improvements and the promotion of non-traditional exports in most commodity-dependent developing countries, particularly in Africa, and calls for enhanced support by the international community as well as exchanges of experience in these areas within the framework of South-South economic cooperation;

9. Underscores the importance of increased investment in infrastructure as a means of promoting agricultural development and enhancing commodity diversification, including value-added production, and trade, and urges the international community to assist commodity-dependent developing countries to mainstream trade as well as sound investment and financial policies as key elements of development strategies, based on national circumstances and development priorities, and to invest in and support research and development of agriculture productivity;

10. Recognizes the importance of policies to address longer-term structural issues of the commodity economy and integrate commodity policies into wider development and poverty eradication strategies at all levels,

11. Also recognizes the ongoing inclusive consultative process within the Committee on World Food Security to develop voluntary and non-binding principles for responsible agricultural investments that are intended for all stakeholders that are involved in, benefit from or are affected by these principles;

12. Stresses that technical assistance and capacity-building aimed at improving the commodity export competitiveness of producers is particularly important, especially in Africa, and invites the donor community to provide the necessary resources for commodity-specific financial and technical assistance, in particular for human and institutional capacity-building, as well as infrastructure development of developing countries, with a view to reducing their institutional bottlenecks and transaction costs and enhancing their commodity trade and development in accordance with national development plans;

13. Also stresses that the Aid for Trade initiative should aim to help developing countries, particularly the least developed countries, to build the supply-side capacity and trade-related infrastructure that they need to assist them to implement and benefit from World Trade Organization agreements and, more broadly, to expand their trade;

14. Recalls the agreement to keep under regular review, by the Ministerial Conference and appropriate organs of the World Trade Organization, the impact of the results
of the Uruguay Round on the least developed countries as well as on the net food-importing developing countries, with a view to fostering positive measures to enable them to achieve their development objectives, and in this regard calls for the implementation of the Marrakesh Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least Developed and Net Food-Importing Developing Countries;

15. Encourages developed countries that have not already done so and developing countries declaring themselves in a position to do so to take steps towards the goal of realizing timely implementation of duty-free and quota-free market access on a lasting basis for all least developed countries, consistent with the Hong Kong Ministerial Declaration adopted by the World Trade Organization in 2005;

16. Strongly encourages international financial institutions and development banks to assist developing countries, in particular commodity-dependent developing countries, in managing the effects of excessive price volatility;

17. Reaffirms that every State has and shall freely exercise full permanent sovereignty over all its wealth, natural resources and economic activities;

18. Recognizes the importance of increasing efficiency, effectiveness and transparency in the management of public and private sector revenues in developed and developing countries derived from all commodities and commodities-related industries, including final processed goods, in support of development;

19. Also recognizes the important contributions of the Common Fund for Commodities and other international commodities organizations, and encourages them, in cooperation with the International Trade Centre, the United Nations Conference on Trade and Development, the United Nations Industrial Development Organization and other relevant bodies, to continue to strengthen coordination among them and to study ways to establish greater stability in the commodities market, as well as to enhance activities in developing countries to improve access to markets and the reliability of supply, enhance diversification and the addition of value, improve the competitiveness of commodities, strengthen the market chain, improve market structures, broaden the export base and ensure the effective participation of all stakeholders;

20. Stresses that the United Nations Conference on Trade and Development and its partners, in the spirit of inter-agency cooperation and multi-stakeholder partnerships and within their respective mandates, should continue to engage actively in collaborative research and analysis of the commodity problematics and related capacity and consensus-building activities, with a view to providing regular analysis and policy advice relevant to the sustainable development of commodity-dependent developing countries, particularly low-income countries;

21. Encourages giving appropriate consideration to the issue of commodities in the elaboration of the post-2015 development agenda;

22. Emphasizes the importance of facilitating access to the World Trade Organization, particularly for commodity-dependent developing countries, in full compliance with its rules;

23. Underlines the urgent need for the provision of and access to trade finance to commodity-dependent developing countries, given the tightened access to all types of credit and noting debt sustainability;

24. Stresses the importance of the continuing substantive consideration of the sub-item entitled “Commodities”, and decides to include the sub-item in the provisional agenda of its seventieth session, under the item entitled “Macroeconomic policy questions”;

25. Requests the Secretary-General, in collaboration with the secretariat of the United Nations Conference on Trade and Development, to submit to the General Assembly at its seventieth session a report on the updated assessment of commodity trends and prospects, long-term commodity prices and ways to strengthen coordination among international commodities organizations and other relevant international organizations.

On 20 December (decision 68/540), the Assembly took note of the report of the Second Committee (A/68/436 & Add.1–4) on macroeconomic policy questions, including commodities.

Individual commodities

Cocoa. As at 31 December, the International Cocoa Agreement, 2010 [YUN 2010, p. 944], had 11 parties. During the year, Ecuador, Gabon, Malaysia and Nicaragua became parties.


Sugar. On 6 June, the International Sugar Council extended the International Sugar Agreement, 1992 [YUN 1992, p. 625] until 31 December 2015. On 29 November, the Council extended the time limit for deposit of instruments of ratification, acceptance or approval of the Agreement until 31 December 2014. As at 31 December, the Agreement had 61 parties. During the year, Sri Lanka became a party.

Tropical timber. As at 31 December, there were 66 parties to the International Tropical Timber Agreement, 2006 [YUN 2006, p. 1124]. During the year, Brazil, Colombia and Costa Rica became parties, while Canada withdrew from the Agreement.

Other commodities. During the year, the following commodities agreements remained in force without changes to their lists of parties: Asian Coconut Community (12 parties); Asian Rice Trade Fund (5 parties); International Pepper Community (6 parties, 1 associate member); and International Tea Promotion Association (8 parties).

Common Fund for Commodities

At the end of 2013, the Common Fund for Commodities (CFC)—established in 1980 to realize the potential of commodity production, processing, manufacturing and trade for the benefit of the poor [YUN 1980, p. 621]—had 103 Member States
plus ten institutional members. At its annual meeting (The Hague, 10–11 December 2013), the Governing Council considered the recommendations of the Open-ended Committee and the CFC Executive Board regarding the review of the Agreement Establishing the Common Fund for Commodities. The Governing Council decided to establish an Open Transition Committee (OTC), open for participation by all interested Member States; to call for the OTC to meet on 8 April to produce a recommended agreed text of amendments; and to make a recommendation for the Executive Board on 6–7 May 2014. They also requested the Executive Board to work towards producing the recommended draft amendments to the Agreement Establishing CFC for consideration by Member States.

**Coercive economic measures**

**Report of Secretary-General.** Pursuant to General Assembly resolution 66/186 [YUN 2011, p. 913], the Secretary-General submitted a July report [A/68/218] on unilateral economic measures as a means of political and economic coercion against developing countries.

**GENERAL ASSEMBLY ACTION**

On 20 December [meeting 71], the General Assembly, on the recommendation of the Second Committee [A/68/436/Add.1], adopted resolution 68/200 by recorded vote (127-2-50) [agenda item 17 (a)].

**Unilateral economic measures as a means of political and economic coercion against developing countries**

The General Assembly,

Recalling the relevant principles set forth in the Charter of the United Nations,

Reaffirming the Declaration on Principles of International Law concerning Friendly Relations and Cooperation among States in accordance with the Charter of the United Nations, which states, inter alia, that no State may use or encourage the use of unilateral economic, political or any other type of measures to coerce another State in order to obtain from it the subordination of the exercise of its sovereign rights,

Bearing in mind the general principles governing the international trading system and trade policies for development contained in relevant resolutions, rules and provisions of the United Nations and the World Trade Organization,


Gravely concerned that the use of unilateral coercive economic measures adversely affects the economies and the development efforts of developing countries in particular and has a general negative impact on international economic cooperation and on worldwide efforts to move towards a non-discriminatory and open multilateral trading system,

Recognizing that such measures constitute a flagrant violation of the principles of international law as set forth in the Charter, as well as the basic principles of the multilateral trading system,

1. Takes note of the report of the Secretary-General;
2. Urges the international community to adopt urgent and effective measures to eliminate the use of unilateral coercive economic measures against developing countries that are not authorized by relevant organs of the United Nations or are inconsistent with the principles of international law as set forth in the Charter of the United Nations and that contravene the basic principles of the multilateral trading system;
3. Calls upon the international community to condemn and reject the imposition of such measures as a means of political and economic coercion against developing countries;
4. Requests the Secretary-General to continue to monitor the imposition of measures of this nature and to study the impact of such measures on the affected countries, including the impact on trade and development;
5. Also requests the Secretary-General to submit to the General Assembly at its seventieth session a report on the implementation of the present resolution.

**RECORDED VOTE ON RESOLUTION 68/200:**

In favour: Afghanistan, Algeria, Angola, Antigua and Barbuda, Argentina, Armenia, Azerbaijan, Bahrain, Bangladesh, Barbados, Belarus, Belize, Benin, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Burundi, Burundi, Cabo Verde, Cambodia, Cameroon, Chad, Chile, China, Colombia, Comoros, Costa Rica, Cuba, Democratic People’s Republic of Korea, Democratic Republic of the Congo, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, El Salvador, Equatorial Guinea, Eritrea, Ethiopia, Fiji, Gabon, Gambia, Ghana, Grenada, Guatemala, Guinea-Bissau, Guyana, Haiti, Honduras, India, Indonesia, Iran, Iraq, Jamaica, Jordan, Kazakhstan, Kenya, Kiribati, Kuwait, Kyrgyzstan, Lao People’s Democratic Republic, Lebanon, Lesotho, Libya, Madagascar, Malawi, Malaysia, Maldives, Mauritania, Mauritius, Mexico, Mongolia, Morocco, Mozambique, Myanmar, Namibia, Nepal, Nicaragua, Niger, Nigeria, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Qatar, Russian Federation, Rwanda, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Sao Tome and Principe, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Singapore, Solomon Islands, Somalia, South Africa, Sri Lanka, Sudan, Suriname, Swaziland, Switzerland, Syrian Arab Republic, Tajikistan, Thailand, Timor-Leste, Togo, Trinidad and Tobago, Tunisia, Turkmenistan, Tuvalu, Uganda, United Arab Emirates, United Republic of Tanzania, Uruguay, Uzbekistan, Venezuela, Viet Nam, Yemen, Zambia, Zimbabwe.

Against: Israel, United States.

Abstaining: Albania, Andorra, Australia, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Canada, Côte d’Ivoire, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Liechtenstein, Lithuania, Luxembourg, Malta, Marshall Islands, Monaco, Montenegro, Netherlands, New Zealand, Norway, Palau, Poland, Portugal, Republic of Korea, Republic of Moldova, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, the former Yugoslav Republic of Macedonia, Turkey, Ukraine, United Kingdom.

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International financial system and development

In response to General Assembly resolution 67/197 [YUN 2012, p. 945], the Secretary-General submitted a July report [A/68/221] on the international financial system and development. The report stated that although global imbalances—which were tied to massive international reserve accumulation by developing countries at the expense of productive investment in sustainable development—had been decreasing in recent years, significant structural issues remained. The sovereign debt crisis in Europe, banking system fragilities, policy uncertainty and the uneven global recovery had led to heightened risk aversion and increased volatility of both public and private capital flows. A large proportion of global savings were in the form of international reserves held by central banks. From 2000 to 2012, global foreign exchange reserves increased by 468 per cent, from $2.1 trillion to $11.7 trillion, with emerging and developing countries holding an estimated 66 per cent of the total. The report indicated that while precautionary reserve accumulation was sensible at the national level, it increased systemic risk at the international level and exacerbated global imbalances. Foreign direct investment remained a major component of private capital flows to developing countries. Estimated levels of net private capital flows to developing countries for 2012 were at $51 billion, sharply lower than that of 2011. This was due to a large swing in other net investments to China, which went from a surplus of approximately $27 billion in 2011 to an estimated deficit of $310 billion in 2012.

Official development assistance (ODA) decreased in real terms and budgetary pressures in many donor countries indicated that aid levels could stagnate in the medium term. In 2012, member countries of the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development provided $125.6 billion of ODA, representing a decrease of 4 per cent compared to 2011. Bilateral aid to sub-Saharan Africa was $26.2 billion, a decrease of 7.9 per cent in real terms compared to 2011. LDCs also saw a reduction in net bilateral ODA flows of 12.8 per cent in real terms to approximately $26 billion in 2012.

As for strengthening the international financial architecture, the report indicated that since the financial crisis, the international community had taken steps to address vulnerabilities in the financial sector through regulatory reform, yet regulation had focused mainly on ensuring the safety and soundness of the financial system without giving enough attention to other criteria necessary for a well-functioning financial sector. In regard to Basel III [YUN 2010, p. 945], there had been delays by some countries in meeting the 1 January 2013 deadline agreed for its implementation and concern that different rates of implementation could contribute to a dilution of minimum standards and undermine the goal of creating a globally consistent and harmonized regulatory structure to ensure a level playing field.

The Secretary-General concluded that in order to effectively facilitate investments in sustainable development, financial regulation needed to be viewed in a broader context. Increased attention should be given to promoting access to finance and ensuring that the financial sector promoted long-term sustainable growth. The volatility of private capital flows to developing countries should be addressed in source countries; international coordination of monetary policies and management of global liquidity should be improved; and, as uncertainty surrounding sovereign debt restructuring increased both country-specific and systemic risks, the international community should actively pursue the development of an agreed rules-based approach to sovereign debt workouts. On strengthening multilateral surveillance, closer cooperation among IMF, national central banks and regional and subregional mechanisms was needed.

Communication. By a letter dated 29 July [A/67/949], Singapore, on behalf of the Global Governance Group (3G), comprised of 30 UN Member States, transmitted to the Secretary-General a document entitled “Input of the Global Governance Group to the Group of Twenty on development for all”. The Group stressed the importance of an effective, open and transparent multilateral system that ensured the voices of all countries were heard, and all countries were able to participate in and contribute towards the post-2015 development agenda. The 3G emphasized that the United Nations was the only global body with universal membership and unquestionable legitimacy, that it should make final decisions related to the development of the framework, and that such an agenda should have poverty eradication and sustainable development at its centre and converge around a single set of clear goals. A universal, rules-based, open, non-discriminatory and equitable multilateral trading system under WTO was key to development. The 3G reiterated its call for the Group of 20 (G20) to urgently take action to move the Doha Development Agenda process forward.

Group of 20 summit. The G20 held its eighth meeting (Saint Petersburg, Russia, 5–6 September) during the year. It issued the G20 Leaders’ Declaration stating that strengthening growth and creating jobs was its top priority and that it was committed to taking action to return to strong, sustainable and balanced growth for the global economy.

GENERAL ASSEMBLY ACTION

On 20 December [meeting 71], the General Assembly, on the recommendation of the Second Commit-
International financial system and development

The General Assembly,


Recalling also the United Nations Millennium Declaration, its resolution 56/210 B of 9 July 2002, in which it endorsed the Monterrey Consensus of the International Conference on Financing for Development, the Rio Declaration on Environment and Development, Agenda 21, the Programme for the Further Implementation of Agenda 21 and the Plan of Implementation of the World Summit on Sustainable Development (Johannesburg Plan of Implementation),

Recalling further the Doha Declaration on Financing for Development: outcome document of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, held in Doha from 29 November to 2 December 2008,

Recalling the Conference on the World Financial and Economic Crisis and Its Impact on Development and its outcome document,

Recalling also the high-level plenary meeting of the General Assembly on the Millennium Development Goals and the special event to follow up efforts made towards achieving the Millennium Development Goals, convened by the President of the General Assembly on 25 September 2013, and their respective outcome documents,

Recalling further the United Nations Conference on Sustainable Development, held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, and its outcome document, entitled “The future we want”,

Recognizing the work undertaken by the Ad Hoc Open-ended Working Group of the General Assembly to follow up on the issues contained in the Outcome of the Conference on the World Financial and Economic Crisis and Its Impact on Development, and taking note of its progress report,

Recalling the high-level thematic debate on the state of the world economy and finance and its impact on development convened by the President of the General Assembly on 17 and 18 May 2012,

Recalling also the meeting of the Second Committee, held pursuant to resolution 67/197, on 13 November 2013, to discuss actions in response to the world financial and economic crisis and its impact on development and prospects for restoring confidence and economic growth,

Noting the Sixth Astana Economic Forum and the World Anti-Crisis Conference, which were held in Astana from 22 to 24 May 2013, as well as the convening of the Second World Anti-Crisis Conference, to be held in Astana from 21 to 23 May 2014,

Noting also the Saint Petersburg International Economic Forum, held in Saint Petersburg, Russian Federation, from 20 to 22 June 2013,

Noting further the Summit of the Group of 20, held in Saint Petersburg on 5 and 6 September 2013,

Expressing deep concern about the ongoing adverse impacts, particularly on development, of the world financial and economic crisis, recognizing evidence of an uneven and fragile recovery, cognizant that the global economy, notwithstanding significant efforts that helped to contain tail risks, improve financial market conditions and sustain recovery, still remains in a challenging phase, with downside risks, including high volatility in global markets, high unemployment, particularly among young people, indebtedness in some countries and widespread fiscal strains, which pose challenges for global economic recovery and reflect the need for additional progress towards sustaining and rebalancing global demand, and stressing the need for continuing efforts to address systemic fragilities and imbalances and to reform and strengthen the international financial system while implementing the reforms agreed upon to date,

Noting that, while some developing countries have been the main contributors to recent global economic growth, the economic crisis has reduced their capacity to withstand further shocks, recalling the commitments made to support development and strong, sustained, balanced and inclusive economic growth, and reaffirming the need to work cooperatively to meet development commitments to achieve the Millennium Development Goals by 2015,

Acknowledging that effective global economic governance in an increasingly interconnected world is of critical importance for the success of national efforts to achieve sustainable development in all countries and that, while significant efforts have been made over the years, there remains the need to continue to improve global economic governance and to strengthen the role of the United Nations in this regard,

Recalling the commitment to work in solidarity on a coordinated and comprehensive global response to the ongoing adverse impacts of the world financial and economic crisis on development and to take actions aimed at, inter alia, restoring confidence, sustaining economic growth and creating full and productive employment and decent work for all,

Reaffirming the purposes of the United Nations, as set forth in its Charter, including to achieve international cooperation in solving international problems of an economic, social, cultural or humanitarian character and to be a centre for harmonizing the actions of nations in the attainment of common ends, and reiterating the need to strengthen the leadership role of the United Nations in promoting development,

Emphasizing that the international financial system should bolster sustained, inclusive and equitable economic growth, sustainable development and job creation and promote financial inclusion and support efforts to eradicate poverty and hunger in developing countries, while allowing for the coherent mobilization of all sources of financing for development,

Recalling the Fourth United Nations Conference on the Least Developed Countries and the Programme of Action for the Least Developed Countries for the Decade 2011–2020, and recognizing in this context that the international
financial institutions should be supportive, in accordance with their mandates, of the special needs and priorities of the least developed countries,

Stressing the importance of commitment to ensuring sound domestic financial sectors, which make a vital contribution to national development efforts, as an important component of an international financial architecture that is supportive of development,

1. Takes note of the report of the Secretary-General;
2. Recognizes the need to continue and intensify efforts to enhance the coherence and consistency of the international monetary, financial and trading systems, and reiterates the importance of ensuring their openness, fairness and inclusiveness in order to complement national efforts to ensure sustainable development, including strong, sustained, balanced, inclusive and equitable economic growth and the achievement of the internationally agreed development goals, including the Millennium Development Goals;
3. Reiterates the need to act decisively to tackle the challenges confronting the global economy in order to ensure balanced, sustained, inclusive and equitable growth with full and productive employment and quality jobs, and also reiterates the need for significant mobilization of resources from a variety of sources and the effective use of financing in order to promote full and productive employment and decent work for all;
4. Notes the important efforts undertaken nationally, regionally and internationally to respond to the challenges posed by the financial and economic crisis, and recognizes that more needs to be done in order to promote the economic recovery, to address turbulence in global financial and commodity markets, to tackle high unemployment and indebtedness in several countries, as well as widespread fiscal strains, to reinforce the banking sector, including by increasing its transparency and accountability, to address systemic fragilities and imbalances, to reform and strengthen the international financial system and to continue and to enhance the coordination of financial and economic policies at the international level;
5. Also notes that the United Nations, on the basis of its universal membership and legitimacy, provides a unique and key forum for discussing international economic issues and their impact on development, and reaffirms that the United Nations is well positioned to participate in various reform processes aimed at improving and strengthening the effective functioning of the international financial system and architecture, while recognizing that the United Nations and the international financial institutions have complementary mandates that make the coordination of their actions crucial;
6. Recalls, in this regard, the resolve to strengthen the coordination of the United Nations system and multilateral financial, trade and development institutions so as to support economic growth, poverty eradication, job creation and sustainable development worldwide, on the basis of a clear understanding of and respect for their mandates and governance structures;
7. Also recalls that countries must have the flexibility necessary to implement countercyclical measures and to pursue tailored and targeted responses to the crisis, and calls for conditionalities to be streamlined and targeted to ensure that they are timely, tailored and targeted and that they support developing countries in the face of financial, economic and development challenges;
8. Notes, in this regard, the increase in resources and the improvement of the lending framework of the International Monetary Fund through, inter alia, streamlined conditions and flexible instruments, such as the precautionary and liquidity line, the flexible credit line and the rapid financing instrument, and the refinement of the lending framework for low-income countries, while also noting that new and ongoing programmes should not contain unwarranted procyclical conditionalities;
9. Urges, in this regard, the multilateral development banks to continue to move forward on flexible, concessional, fast-disbursing and front-loaded assistance that will substantially and quickly assist developing countries facing financing gaps in their efforts to achieve the Millennium Development Goals, taking into consideration the individual absorptive capacities and debt sustainability of those countries;
10. Recognizes the role of private capital flows in mobilizing financing for development, stresses the challenges posed by excessive volatility of short-term capital flows to many developing countries, notes that the design and implementation of capital flow management measures to address those challenges, such as macroeconomic policies, macroprudential measures and various forms of capital account management, need to take into account the specific circumstances of individual countries, while also remaining fully cognizant of the potential risks involved in capital flow management;
11. Also recognizes the need for international financial institutions to promote, within their respective mandates, including by providing the right incentives for medium- and long-term investment and the sharing of best practices, the mobilization of capital flows in order to better channel national and international investment for sustainable development based on its three dimensions;
12. Reaffirms the importance of broadening and strengthening the participation of developing countries in international economic decision-making and norm-setting, notes in this regard the important steps taken in the reform of the governance structures, quotas and voting rights of the Bretton Woods institutions, which go in the direction of better reflecting current realities and enhancing the voice, the participation and the voting rights of developing countries, and recognizes the importance of continuing such reform processes in an ambitious and expeditious manner in order to deliver more effective, credible, accountable and legitimate institutions;
13. Notes, in this regard, the decisions taken by the World Bank Group on voice and participation and further institutional reforms to meet new challenges and the addition of the twenty-fifth Chair to the Boards of Executive Directors of the World Bank Group, and looks forward to progress in its institutional reforms;
14. Calls for the swift implementation of the 2010 quota and governance reform of the International Monetary Fund, notes the progress made by the Fund on the review of the quota formula in January 2013, and emphasizes the importance of continued discussions to reach agreement on the quota formula by January 2014, in parallel to the fifteenth general review of the quotas and as part of ongoing reform processes, in order to ensure the Fund’s capability to address the challenges encountered by today’s international monetary and financial system;
15. Recognizes the importance of an open, transparent and merit-based process for selecting the heads of the
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international financial institutions, including the Bretton Woods institutions;

16. **Emphasizes** the need for more effective government involvement in order to ensure an appropriate regulation of the markets which promotes the public interest, and recognizes in this regard the need to better regulate financial markets to promote economic stability and sustained, equitable and inclusive growth;

17. **Also emphasizes** the need for continued coordination at the international, regional and national levels on regulatory frameworks for the financial markets and some of their products, notes that while it is still too early to estimate the full effects of Basel III, there is a concern that it may negatively impact some developing countries, and recognizes in this regard the need for continued efforts to ensure regulation and oversight of financial markets in such as shadow banking, derivatives and banks that are “too big to fail”, with a view to promoting economic stability and equitable and inclusive growth;

18. **Recognizes** the role of special drawing rights as an international reserve asset, acknowledges that special drawing rights allocations helped to supplement international reserves in response to the world financial and economic crisis, thus contributing to the stability of the international financial system and global economic resilience, and also recognizes the need to continue regular reviews of the role of special drawing rights, including with reference to their potential role in the international reserve system;

19. **Reiterates** that effective, inclusive multilateral surveillance should be at the centre of crisis prevention efforts, stresses the need to continue strengthening surveillance of the financial policies of countries, and in this regard takes note of the new surveillance approach of the International Monetary Fund to better integrate bilateral and multilateral surveillance, along with cross-border and cross-sectoral linkages with macroeconomic and macroprudential policies, while paying closer attention to the spillover effects from national economic and financial policies onto the global economy;

20. **Stresses**, in this regard, the need to strengthen intergovernmental and independent surveillance of national financial policies and their impact on international interest rates, exchange rates and capital flows;

21. **Invites** the international financial and banking institutions to continue to enhance the transparency of risk-rating mechanisms, noting that sovereign risk assessments made by the private sector should maximize the use of strict, objective and transparent parameters, which can be facilitated by high-quality data and analysis, and encourages relevant institutions, including the United Nations Conference on Trade and Development, to continue their work on the issue, including its potential impact on the development prospects of developing countries;

22. **Calls upon** the multilateral, regional and subregional development banks and development funds to continue to play a vital role in serving the development needs of developing countries and countries with economies in transition, including through coordinated action, as appropriate, stresses that strengthened regional development banks and subregional financial institutions can add flexible financial support to national and regional development efforts, thus enhancing their ownership and overall efficiency, and can promote regional integration, increasing resilience to economic shocks, welcomes in this regard recent capital increases at multilateral and regional development banks, and, in addition, encourages efforts to ensure that subregional development banks are adequately funded;

23. **Encourages** enhanced regional and subregional cooperation, including through regional and subregional development banks, commercial and reserve currency arrangements and other regional and subregional initiatives;

24. **Stresses** the need to continuously improve standards of corporate and public sector governance, including those related to accounting, auditing and measures to ensure transparency, noting the disruptive effects of inadequate policies;

25. **Recognizes** the need for international financial institutions, as appropriate, to promote gender mainstreaming in their policies and programmes, including macroeconomic, job creation and structural reform policies and programmes, in accordance with relevant national priorities and strategies;

26. **Requests** the Secretary-General to submit to the General Assembly at its sixty-ninth session a report on the implementation of the present resolution, to be prepared in cooperation with the Bretton Woods institutions and other relevant stakeholders.

27. **Decides** to include in the provisional agenda of its sixty-ninth session, under the item entitled “Macroeconomic policy questions”, the sub-item entitled “International financial system and development”.

Also on 20 December (decision 68/540), the General Assembly took note of the report of the Second Committee (A/68/436 & Add.1-4) on macroeconomic policy questions, including those related to the international financial system and development.

Debt situation of developing countries

On 15 February (decision 2013/203), the Economic and Social Council, recalling General Assembly resolution 67/198 [YUN 2012, p. 948], decided that the one-day meeting of the Council to consider lessons learned from debt crises and the ongoing work on sovereign debt restructuring and debt resolution mechanisms would be held at UN Headquarters (New York, 23 April), in conjunction with the special high-level meeting of the Council with the Bretton Woods institutions, WTO and UNCTAD (see p. 928).

**Report of Secretary-General.** In response to Assembly resolution 67/198, the Secretary-General submitted a July report [A/68/203] on external debt sustainability and development. The report reviewed recent developments in the external debt of developing countries, with a special focus on the policy considerations faced by those countries in maintaining debt sustainability in the macroeconomic environment. The total external debt stocks of developing countries were estimated to have reached $4.8 trillion in 2011, marking a 10.7 per cent increase over 2010. The UNCTAD secretariat estimated that debt levels continued to grow by approximately 12.4 per cent over 2011–2012, bringing the total external debt of developing countries to $5.4 trillion in 2012. Average gross domestic product (GDP) in real terms grew by 6.1 per cent in 2011 and

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was estimated to have grown at a more modest pace, by 4.7 per cent in 2012. Similarly, exports continued to grow in 2011 but the growth slowed in 2012. As a result, debt ratios as a whole were estimated to have worsened in 2012. From 2011 to 2012, total debt to GDP increased from 20.7 per cent to 22 per cent. Furthermore, international reserves for all developing countries increased to $6.2 trillion in 2012 from nearly $6 trillion in 2011; however, their rate of growth declined to 5 per cent in 2012, marking it as the lowest rate in more than a decade. The stock of international reserves continued to outweigh the stock of total debt for developing countries when taken as a group, although the faster growth of debt than of reserves since 2008 was a matter of concern.

In 2012, the total external debt of the 49 countries that belonged to the group of LDCs increased to an estimated $183 billion, up 6.7 per cent in nominal terms compared to 2011. As a result, the ratios of debt to GDP and total debt to exports of LDCs increased in 2012 from 2011.

Because ODA was of crucial importance in achieving internationally agreed goals, donor countries should honour their commitment to disburse 0.7 per cent of gross national income (GNI) for ODA, with the view to promote inclusive growth and development.

GENERAL ASSEMBLY ACTION

On 20 December [meeting 71], the General Assembly, on the recommendation of the Second Committee [A/68/436/Add.3], adopted resolution 68/202 without vote [agenda item 17 c)].

External debt sustainability and development

The General Assembly,
Recalling also the United Nations Millennium Declaration, adopted on 8 September 2000, and the high-level plenary meeting of the General Assembly on the Millennium Development Goals and its outcome document,
Recalling further its resolution 57/270 B of 23 June 2003 on the integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic and social fields,
Recalling the 2005 World Summit Outcome,
Recalling also its resolution 60/265 of 30 June 2006 on the follow-up to the development outcome of the 2005 World Summit, including the Millennium Development Goals and the other internationally agreed development goals,
Recalling further the International Conference on Financing for Development and its outcome document and the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus and its outcome document, the Doha Declaration on Financing for Development,

Recalling the Conference on the World Financial and Economic Crisis and Its Impact on Development and its outcome document,
Recalling also the Fourth United Nations Conference on the Least Developed Countries and the Istanbul Declaration and the Programme of Action for the Least Developed Countries for the Decade 2011-2020,
Recalling further the United Nations Conference on Sustainable Development, held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, and its outcome document, entitled “The future we want”,
Recalling the special event to follow up efforts made towards achieving the Millennium Development Goals, held on 25 September 2013, and its outcome document,
Noting the thematic debate in the General Assembly on the role of credit-rating agencies in the international financial system, held on 10 September 2013, and the ongoing discussions on these issues,
Noting also the special meeting of the Economic and Social Council on external debt sustainability and development, held on 23 April 2013, which considered lessons learned from debt crises and the ongoing work on sovereign debt restructuring and debt resolution mechanisms and the ongoing discussions on these issues,
Emphasizing that debt sustainability is essential for underpinning growth, and recalling the importance of debt sustainability and effective debt management to the efforts to achieve national and international development goals, including the Millennium Development Goals, and acknowledging that debt crises are costly and disruptive, including for employment and productive investment, and tend to be followed by cuts in public spending, including on health and education, affecting the poor and vulnerable in particular,
Reaffirming that each country has primary responsibility for its own development and that the role of national policies and development strategies, including in the area of debt management, cannot be overemphasized for the achievement of sustainable development, and recognizing that national efforts, including to achieve development goals and to maintain debt sustainability, should be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of developing countries, while taking into account national conditions and ensuring respect for national ownership, strategies and sovereignty,
Reaffirming also that multilateral institutions, including entities within the United Nations system and other relevant organizations, should continue to play an important role, given their respective mandates, in assisting countries in achieving and maintaining debt sustainability,
Reiterating that debt sustainability depends on a confluence of many factors at the international and national levels, and emphasizing that country-specific circumstances and the impact of external shocks, such as those derived from the world financial and economic crisis, should continue to be taken into account in debt sustainability analyses,
Expressing deep concern about the ongoing adverse impacts, particularly on development, of the world financial and economic crisis, recognizing evidence of an uneven and fragile recovery, cognizant that the global economy, notwithstanding significant efforts that helped to contain tail risks, improve financial market conditions and sustain recovery, still remains in a challenging phase, with downside
risks, including high volatility in global markets, high unemployment, particularly among young people, indebtedness in some countries and widespread fiscal strains, which pose challenges for global economic recovery and reflect the need for additional progress towards sustaining and rebalancing global demand, and stressing the need for continuing efforts to address systemic fragilities and imbalances and to reform and strengthen the international financial system, while implementing the reforms agreed upon to date.

Recognizing that the ongoing adverse impacts of the world financial and economic crisis entail the possibility of undermining the progress made towards achieving the internationally agreed development goals, including the Millennium Development Goals, and threaten debt sustainability in many countries, especially developing countries, through, inter alia, the consequences for the real economy and government revenue and the need to increase borrowing to mitigate the negative impact of the crisis,

Recognizing also the importance of efforts and cooperation undertaken at the national, regional and international levels in response to the challenges posed by the world financial and economic crisis, and emphasizing the need to continue these efforts in a coherent and coordinated manner,

Recognizing the important role, on a case-by-case basis, of debt relief, including debt cancellation, as appropriate, and debt restructuring as debt crisis prevention and management tools for mitigating the impact of the world financial and economic crisis on developing countries,

Recognizing the role of private capital flows in mobilizing financing for development, stressing the challenges posed by excessive short-term capital inflows to many developing countries, including to their debt sustainability, and encouraging further review of the benefits and disadvantages of the macroprudential measures available to mitigate the impact of volatile capital flows,

Expressing concern that a number of low- and middle-income countries face challenges in servicing their debt,

Expressing deep concern that, in spite of international efforts, many least developed countries struggle with high debt burdens and are classified, in accordance with the debt sustainability assessments, as being in debt distress or at high risk of debt distress,

Noting with appreciation that the Heavily Indebted Poor Countries Initiative, facilitated by the Paris Club, the Multilateral Debt Relief Initiative and bilateral donors have provided substantial debt relief to 35 countries that have reached the completion point under the Heavily Indebted Poor Countries Initiative, which has provided needed debt relief and facilitated the reallocation of resources to investments in social services, while expressing concern that some post-completion point countries remain classified as being at high risk of debt distress and need to avoid rebuilding unsustainable debt burdens,

Convinced that enhanced market access for goods and services of export interest to developing countries contributes significantly to debt sustainability in those countries,

1. Takes note of the report of the Secretary-General;

2. Emphasizes the special importance of a timely, effective, comprehensive and durable solution to the debt problems of developing countries to promote their economic growth and development;

3. Stresses the importance of sustainable lending and borrowing, emphasizes that creditors and debtors must share responsibility for preventing unsustainable debt situations and must incorporate debt sustainability considerations into their financing decisions, notes the endorsement by some Member States of the principles of the initiative of the United Nations Conference on Trade and Development to promote responsible sovereign lending and borrowing, and encourages Member States and relevant stakeholders to continue the ongoing discussions on this issue;

4. Acknowledges the role played by the Debt Sustainability Framework for Low-Income Countries, jointly developed by the International Monetary Fund and the World Bank, to guide borrowing and lending decisions, and encourages the continued periodic review of the Framework in an open and transparent manner and with the full engagement of borrower and creditor Governments;

5. Reiterates that no single indicator should be used to make definitive judgements about a country's debt sustainability and in this regard, while acknowledging the need to use transparent and comparable indicators, invites the International Monetary Fund and the World Bank, in their assessment of debt sustainability, to continue to take into account a country's structural weaknesses and the fundamental changes caused by, inter alia, natural disasters, conflicts and changes in global growth prospects or in the terms of trade, especially for commodity-dependent developing countries, as well as by the impact of developments on financial markets, and to provide information on this issue to Member States, using the appropriate frameworks;

6. Recognizes that the long-term sustainability of debt depends on, inter alia, economic growth, the mobilization of domestic and international resources, the export prospects of debtor countries, sustainable debt management, sound macroeconomic policies that also support job creation, transparent and effective regulatory frameworks and success in overcoming structural development problems, and hence on the creation of an enabling international environment that is conducive to development;

7. Also recognizes the enormity and multidimensional nature of the world financial and economic crisis, which caused a sharp deterioration of the debt ratios in several developing countries, stresses the need to continue to assist developing countries in avoiding a build-up of unsustainable debt so as to reduce the risk of relapsing into another debt crisis, notes in this regard the additional resources made available during and since the crisis through the International Monetary Fund and the multilateral development banks, calls for the continued provision of concessional and grant-based financing to low-income countries to enable them to respond to the consequences of the crisis, and notes the provision by the International Monetary Fund of interest relief to low-income countries in the form of zero-interest payments on financing from concessional lending facilities until the end of 2014;

8. Further recognizes the roles of the United Nations and the international financial institutions in accordance with their respective mandates, and encourages them to continue to support global efforts towards sustained, inclusive and equitable growth, sustainable development and the external debt sustainability of developing countries, including through continued monitoring of global financial flows and their implications in this regard;

9. Emphasizes the need for coordinated policies aimed at fostering debt financing, debt relief and debt restructur-
ing, recalls in this regard the improvement of the lending framework of the International Monetary Fund through, inter alia, streamlined conditions and flexible instruments, such as the precautionary and liquidity line, the flexible credit line and the rapid financing instrument, while noting that new and ongoing programmes should not contain unwarranted procyclical conditionalities, and urges the multilateral development banks to continue to move forward on flexible, concessional, fast-disbursing and front-loaded assistance that will substantially and quickly assist developing countries facing financing gaps in their efforts to achieve the Millennium Development Goals, taking into consideration the individual absorptive capacities and debt sustainability of those countries;

10. Notes that countries can seek to negotiate, as a last resort, on a case-by-case basis and through existing frameworks, agreements on temporary debt standstills between debtors and creditors in order to help mitigate the adverse impacts of the crisis and stabilize macroeconomic developments.

11. Also notes the progress made under the Heavily Indebted Poor Countries Initiative, facilitated by the Paris Club, and the Multilateral Debt Relief Initiative, while expressing concern that some countries have yet to reach decision or completion points, calls for the full and timely implementation of those Initiatives and for continued support to the remaining eligible countries in completing the Heavily Indebted Poor Countries Initiative, and encourages all parties, both creditors and debtors, to fulfil their commitments as rapidly as possible in order to complete the debt relief process;

12. Welcomes and encourages the efforts of the heavily indebted poor countries, calls upon them to continue to strengthen their national policies to promote economic growth and poverty eradication through, inter alia, the maintenance of a national environment conducive to private-sector development, a stable macroeconomic framework and transparent and accountable systems of public finance, and invites the international financing institutions and the donor community to continue to provide adequate and sufficiently concessional financing to those countries;

13. Encourages the international financial institutions to review the implementation and the impact of debt relief initiatives in order to better understand why some countries still face persisting debt problems after completion of the Heavily Indebted Poor Countries Initiative, and calls for creditors and debtors to work together, inter alia, through the design of responses, including the broader use of debt management, to address them;

14. Underlines the fact that heavily indebted poor countries eligible for debt relief will not be able to enjoy its full benefits unless all creditors, both public and private, contribute their fair share and become involved in the international debt resolution mechanisms in order to ensure the debt sustainability of those countries, and invites creditors, both private and public, that are not yet fully participating in debt relief initiatives to substantially increase their participation, including through providing comparable treatment, to the extent possible, to debtor countries that have concluded sustainable debt relief agreements with creditors;

15. Stresses that debt relief can play a key role in liberating resources that should be directed towards activities consistent with poverty eradication, sustained economic growth, economic development and the internationally agreed development goals, including the Millennium Development Goals, and, in this regard urges countries to direct the resources freed through debt relief, in particular through debt cancellation and reduction, towards achieving those objectives, including in the context of the post-2015 development agenda, according to their national priorities and strategies;

16. Encourages donor countries to take steps to ensure that resources provided for debt relief under the Heavily Indebted Poor Countries Initiative and the Multilateral Debt Relief Initiative do not detract from other resources to be available for developing countries in accordance with official development assistance commitments;

17. Notes with concern that some low- and middle-income developing countries that are not part of the existing debt relief initiatives have large debt burdens that may create constraints on mobilizing the resources needed to achieve the internationally agreed development goals, including the Millennium Development Goals, indicating a need to consider, as appropriate, stronger debt management and debt relief initiatives for those countries, and encourages the consideration of medium- and long-term sustainability as well as new approaches to deal with bilateral and private non-Paris Club debt;

18. Encourages the Paris Club, in dealing with the debt of low- and middle-income debtor countries that are not part of the Heavily Indebted Poor Countries Initiative, to take into account their medium-term debt sustainability, in addition to their financing gaps, and notes with appreciation the Evian approach of the Paris Club in providing different terms of debt relief in order to respond to the specific needs of debtor countries while preserving debt cancellation for heavily indebted poor countries;

19. Recognizes the concerns about vulture fund litigations and that some debtor countries may experience difficulties in obtaining comparable treatment from non-Paris Club creditors, as required by the standard clause included in Paris Club agreements, and calls for the continued provision by the relevant institutions of mechanisms and legal assistance to debtor countries to resolve litigation issues;

20. Stresses the need for the international community to remain vigilant in monitoring the debt situation of the least developed countries and to continue to take effective measures, preferably within existing frameworks, when applicable, to address the debt problem of those countries, including through the cancellation of the multilateral and bilateral debt owed by the least developed countries to creditors, both public and private;

21. Welcomes the efforts of and calls upon the international community to continue to provide flexibility, and stresses the need to sustain those efforts in helping post-conflict developing countries, especially those that are heavily indebted and poor, to achieve initial reconstruction for economic and social development;

22. Also welcomes the efforts of and invites creditors to provide flexibility to developing countries affected by natural disasters so as to allow them to address their debt concerns, while taking into account their specific situations and needs;

23. Calls for the consideration of additional measures and initiatives aimed at ensuring long-term debt sustainability through increased grant-based and other forms of concessional financing, the cancellation of 100 per cent of the eligible official multilateral and bilateral debt of heavily indebted poor countries and, where appropriate and on a
case-by-case basis, significant debt relief or restructuring for developing countries with an unsustainable debt burden that are not part of the Heavily Indebted Poor Countries Initiative;
24. Invites donor countries, taking into account country-specific debt sustainability analyses, to continue their efforts to increase bilateral grants to developing countries, which could contribute to debt sustainability in the medium to long term, and recognizes the need for countries to be able to promote employment and productive investment and to invest in, inter alia, health and education while maintaining debt sustainability;
25. Calls for the intensification of efforts to prevent and mitigate the prevalence and cost of debt crises by enhancing international financial mechanisms for crisis prevention and resolution, encourages the private sector to cooperate in this regard, and invites creditors and debtors to further explore, where appropriate and on a mutually agreed, transparent and case-by-case basis, the use of new and improved debt instruments and innovative mechanisms such as debt swaps, including debt for equity in Millennium Development Goal projects, as well as debt indexation instruments;
26. Also calls for the consideration of enhanced approaches to sovereign debt restructuring and debt resolution mechanisms, based on existing frameworks and principles, with the broad participation of creditors and debtors, and for the comparable treatment of all creditors and an important role for the Bretton Woods institutions and other relevant organizations within the United Nations system, and in this regard calls upon all countries to promote and contribute to the discussions, within the United Nations and other appropriate forums, on the need for and feasibility of a more structured framework for international cooperation in this area;
27. Decides to convene, at its sixty-ninth session, a special joint meeting of the Second Committee of the General Assembly and the Economic and Social Council to consider lessons learned from debt crises and the ongoing work on sovereign debt restructuring and debt resolution mechanisms, with the participation of relevant stakeholders, as appropriate, building on the report prepared by the Secretary-General, and resulting in a summary of the meeting;
28. Notes the changing composition of the sovereign debt of some countries, which has shifted increasingly from official to commercial borrowing and from external to national public debt, although for most low-income countries external finance is still largely official, also notes that the levels of national debt and the significantly increased number of creditors, both official and private, could create other challenges for macroeconomic management and public debt sustainability, and stresses the need to address the implications of these changes, including through improved data collection and analysis and enhancing international efforts in support of building the debt management capacity in borrowing countries, at their request;
29. Stresses the need to increase information-sharing, transparency and the use of objective criteria in the construction and evaluation of debt scenarios, including an assessment of national public and private debt, in order to ensure the achievement of development goals, and encourages further improvement of the mutual exchange of information, on a voluntary basis, on borrowing and lending among all creditors and borrowers;
30. Reaffirms the importance of having access to credit-rating information, and of the reduction of transaction costs, taking into account that inaccurate forecasts render the international financial system more vulnerable to herd behaviour and cliff effects, which have the potential to exacerbate financial crises, and in this regard encourages greater transparency, independence, avoidance of conflicts of interest and competition among credit-rating agencies, including through the development of national capacities and mechanisms, and requests the Secretary-General to continue to report on this issue when preparing his report on the implementation of the present resolution;
31. Invites, in this regard, the President of the Economic and Social Council to give appropriate consideration to this issue by organizing a meeting during the regular programme of work of the next substantive session of the Council;
32. Invites the international community to continue efforts to increase support, including financial and technical assistance, for institutional capacity-building in developing countries to enhance sustainable debt management as an integral part of national development strategies, including by promoting transparent and accountable debt management systems and negotiation and renegotiation capacities and through supporting legal advice in relation to tackling external debt litigation and debt data reconciliation between creditors and debtors so that debt sustainability may be achieved and maintained;
33. Invites the United Nations Conference on Trade and Development, the International Monetary Fund and the World Bank, in cooperation with the regional commissions, regional development banks and other relevant multilateral financial institutions and stakeholders, to continue and intensify cooperation in respect of capacity-building activities in developing countries in the area of debt management and debt sustainability;
34. Acknowledges that timely and comprehensive data on the level and composition of debt are necessary for, inter alia, building early warning systems aimed at limiting the impact of debt crises, calls for debtor and creditor countries to intensify their efforts to collect data, and calls for donors to consider increasing their support for technical cooperation programmes aimed at increasing the statistical capacity of developing countries in that regard;
35. Requests both creditor and borrower countries to incorporate debt sustainability considerations and greater transparency into their financing decisions, and encourages consideration, as appropriate, of the Debt Sustainability Framework for Low-Income Countries, jointly developed by the International Monetary Fund and the World Bank, and the Principles and Guidelines to Promote Sustainable Lending Practices in the Provision of Official Export Credits to Low-Income Countries of the Organization for Economic Cooperation and Development as strategies for guiding financing policies, recognizing that both creditors and debtors have a shared interest and responsibility in promoting debt sustainability and sustainable financing;
36. Calls upon all Member States and the United Nations system to take appropriate measures and actions for the implementation of the commitments, agreements and decisions of the major United Nations conferences and summits, in particular those related to the question of the external debt sustainability of developing countries;
37. Encourages giving appropriate consideration to the issue of external debt sustainability in the elaboration of the post-2015 development agenda.
38. Requests the Secretary-General to submit to the General Assembly at its sixty-ninth session a report, prepared in consultation with relevant stakeholders, on the implementation of the present resolution and to include in the report a comprehensive and substantive analysis of the external debt situation of developing countries and options for enhanced approaches to debt restructuring and resolution mechanisms that take into account the multiple dimensions of debt sustainability;

39. Decides to include in the provisional agenda of its sixty-ninth session, under the item entitled “Macroeconomic policy questions”, the sub-item entitled “External debt sustainability and development”.

Also on 20 December (decision 68/540), the Assembly took note of the report of the Second Committee [A/68/436 & Add.1–4] on macroeconomic policy questions, including those related to external debt sustainability and development.

Financing for development

In 2013, the General Assembly and the Economic and Social Council, as well as other UN bodies, continued to follow up on the outcomes of the 2002 International Conference on Financing for Development, held in Monterrey, Mexico [YUN 2002, p. 953] and the 2008 Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, held in Doha, Qatar [YUN 2008, p. 1076].

On 21 June (decision 67/559), the Assembly decided to establish an intergovernmental committee of experts on sustainable development financing and welcomed the membership of 30 experts, as nominated by the five regional groups of the United Nations. It further decided that regional groups shall be authorized to appoint replacements for those experts from their group who cease to be members of the committee, effective upon notification of the Assembly President and the committee by the relevant regional group. The Assembly requested the Secretary-General to provide the support necessary for the work of the committee until the completion of its work in 2014 and that the committee hold its first meeting by August 2013.

Follow-up to the International Conference on Financing for Development

Special high-level meeting of the Economic and Social Council

On 15 February (decision 2013/202), the Economic and Social Council decided, on an exceptional basis, that its special high-level meeting with the Bretton Woods institutions (the World Bank Group and IMF), WTO and UNCTAD would be held at UN Headquarters (New York, 22 April). Participants included government officials, senior UN staff and other international organizations, along with civil society and business representatives. The meeting was organized around one high-level panel on “World economic situation and prospects in the wake of the world financial and economic crisis”; and two thematic debates on “Financing for sustainable development, including through leveraging private capital, in the context of the follow-up to the outcome of the United Nations Conference on Sustainable Development (Rio de Janeiro, Brazil, 20–22 June 2012)” and “Global partnership for development in the context of the post-2015 development agenda”. Each debate included presentations by the World Bank, WTO, UNCTAD and the UN Department of Economic and Social Affairs, followed by interactive discussions.

The meeting had before it an April note by the Secretary-General [E/2013/52] that provided background information and suggested points for reflection and discussion. According to the Secretary-General, the world economy continued to struggle to recover five years after the global financial crisis. Weaknesses in the major developed countries remained at the root of the slow global recovery. A number of emerging economies that managed to recover rapidly in the aftermath of the global financial crisis experienced a significant slowdown in growth in 2012. The global slowdown also had implications on the jobs crisis and on poverty reduction, and implied a narrowing of fiscal space for investments in education, health, basic sanitation and other areas that were critical to achieve the MDGs, especially for LDCs. There was a need for more forceful and concerted policy actions at national and international levels to mitigate the risks of worsening in the euro area crisis, spending cuts in the United States, continued slowdown in large emerging market countries, spiralling of geopolitical tensions and weather shocks leading to spikes in world food prices. Fiscal policy across the world should become more countercyclical, supportive of job creation and equitable. Regarding financing for sustainable development, there was a need for a comprehensive strategy that would support inclusive economic development that was environmentally, economically and socially sustainable. Investments were required across several sectors in both developed and developing countries. The strategy would also need to include global commons and climate financing. Given the size of financing needs for sustainable development, it was clear that official sources of financing would not be sufficient. Noting that the strategy must focus on enhancing the access of vulnerable and marginalized segments of society to services, technologies, resources and opportunities, the Secretary-General discussed mobilizing financial resources for sustainable development and streamlining existing international financing initiatives into a broader financing strategy. There was also a need for a more effective and comprehensive global
partnership for development which would address the shortcomings of MDG 8. Furthermore, the international community needed to strengthen the institutional framework for international cooperation and coordination through reform of the global economic governance system.

In his opening remarks, the President of the Economic and Social Council—who also prepared a summary of the meeting [A/68/78-E/2013/66]—called for concerted national and international policy actions to mitigate systemic risks linked to the fragile economy and to ensure a stronger and sustained economic recovery. He stated that within the UN system, the Council, including through the special high-level meeting, had a critical role to play in increasing coherence, coordination and cooperation.

In his address, the Deputy Secretary-General stressed that Member States had agreed that poverty eradication was the greatest global challenge facing the world, while the global slowdown had narrowed the space for investments in many drivers for development. He called on the Economic and Social Council to play a crucial role in promoting dialogue among Member States on the post-2015 development agenda, including addressing financing for sustainable development; and emphasized the objectives of the new intergovernmental committee of experts nominated by Member States to propose options on an effective financing strategy.

**ECONOMIC AND SOCIAL COUNCIL ACTION**

On 26 July [meeting 48], the Economic and Social Council adopted resolution 2013/44 [draft: E/2013/L.33] without vote [agenda item 6 (g)].

**Follow-up to the International Conference on Financing for Development**

The Economic and Social Council,

Recalling the International Conference on Financing for Development, held in Monterrey, Mexico, from 18 to 22 March 2002, and the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, held in Doha from 29 November to 2 December 2008,

Recalling also the 2005 World Summit, held in New York from 14 to 16 September 2005, and its outcome document,

Recalling further the Conference on the World Financial and Economic Crisis and Its Impact on Development, held in New York from 24 to 30 June 2009, and its outcome document,

Recalling the High-level Plenary Meeting of the General Assembly on the Millennium Development Goals, held in New York from 20 to 22 September 2010, and its outcome document,

Recalling also the United Nations Conference on Sustainable Development, held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, and its outcome document,

Recalling further General Assembly resolution 67/199 of 21 December 2012 on the follow-up to the International Conference on Financing for Development and resolution 65/146 of 20 December 2010 on innovative mechanisms of financing for development, Economic and Social Council resolution 2009/30 of 31 July 2009 on strengthened and more effective intergovernmental inclusive process to carry out the financing for development follow-up and resolution 2012/31 of 27 July 2012 on the follow-up to the International Conference, and all other relevant resolutions of the Assembly and the Council, as well as the 2008 Review Conference,

**Taking note of** the summary by the President of the Economic and Social Council of the special high-level meeting of the Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development, held in New York on 22 April 2013,

**Taking note also of** the note by the Secretary-General on coherence, coordination and cooperation in the context of financing for sustainable development and the post-2015 development agenda,

Reaffirming the Monterrey Consensus of the International Conference on Financing for Development in its entirety, its integrity and its holistic approach, and recalling the resolve to take concrete action to implement the Monterrey Consensus and address the challenges of financing for development in the spirit of global partnership and solidarity in support of the achievement of the internationally agreed development goals, including the Millennium Development Goals,

Reaffirming also that each country must take primary responsibility for its own development and that the role of national policies and development strategies cannot be overemphasized for the achievement of sustainable development, and recognizing that national efforts should be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of developing countries, while taking into account national conditions and ensuring respect for national ownership, strategies and sovereignty.

Deeply concerned about the ongoing adverse impacts of the global financial and economic crisis on development, including on the capacity of developing countries to mobilize resources for development, recognizing that, while global growth is returning, there is a need to sustain the recovery, which is fragile and uneven, and acknowledging that an effective response to the impacts of the crisis requires timely implementation of all development commitments, including existing aid commitments,

1. **Reaffirms** the importance of staying fully engaged, nationally, regionally and internationally, in ensuring proper and effective follow-up to the implementation of the Monterrey Consensus of the International Conference on Financing for Development as reaffirmed in the Doha Declaration on Financing for Development, adopted by the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, and of continuing unremitting efforts to build bridges between all relevant stakeholders within the holistic agenda of the financing for development process;

2. **Reiterates** the role played by the United Nations as a focal point for the financing for development follow-up process and the need to maintain that role to ensure the continuity and dynamism of the process, while reaffirming the need to further intensify the engagement of all stakeholders, including the United Nations system, the World Bank, the
International Monetary Fund and the World Trade Organization, in the follow-up to and implementation of the commitments made at Monterrey and Doha;

3. Also reiterates that the Economic and Social Council should continue to strengthen its role in promoting coherence, coordination and cooperation in the implementation of the Monterrey Consensus and the Doha Declaration and as a forum for multi-stakeholder involvement;

4. Welcomes, in that regard, the ongoing efforts in accordance with the commitment made at the United Nations Conference on Sustainable Development to strengthen the Council within its mandate under the Charter of the United Nations, as a principal organ in the integrated and coordinated follow-up of the outcomes of all major United Nations conferences and summits in the economic, social, environmental and related fields, and to ensure its key role in achieving a balanced integration of the three dimensions of sustainable development;

5. Looks forward, in that regard, to the review of the implementation of General Assembly resolution 61/16 of 20 November 2006 on the strengthening of the Council;

6. Recalls paragraphs 255 to 257 of the outcome document of the United Nations Conference on Sustainable Development, and in this regard reaffirms the need to reinforce coherence and coordination and to avoid duplication of efforts with regard to the financing for development follow-up process;

7. Welcomes the establishment of the Intergovernmental Committee of Experts on Sustainable Development Financing, looks forward to the report of the Committee as a contribution to the financing for development follow-up process as well as to an intergovernmentally agreed United Nations development agenda beyond 2015, and encourages the Financing for Development Office of the Secretariat to provide effective secretariat support to the Committee;

8. Emphasizes that the financing for development follow-up process should constitute a continuum of events, each contributing to and feeding into the next, ensuring the holistic nature of the process and making better and more effective use of existing mechanisms and resources;

9. Welcomes the substantive discussions of the High-level Dialogue on Financing for Development of the General Assembly and the special high-level meeting of the Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development, and emphasizes that those discussions are an integral and mutually reinforcing part of the financing for development follow-up process;

10. Stresses the need to further improve the dialogue between Member States and representatives of the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development during the special high-level meeting of the Council, as part of a forum for multi-stakeholder dialogue;

11. Welcomes the increased interaction and coordination at the staff level with the institutions involved prior to the special high-level meeting of the Council;

12. Recognizes the efforts of the President of the Economic and Social Council, in consultation with Member States, to continue to work with the appropriate representatives of the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development to improve the agenda and the format of the special high-level meeting of the Council, considering innovative approaches that are conducive, inter alia, to the high-level participation of those institutions;

13. Requests the President of the Council, in close consultation with Member States, to continue close cooperation and dialogue with the relevant organizations and stakeholders on all the elements of the preparations for the special high-level meeting of the Council, in particular the date and agenda of the meeting of the following year, in order to seek a more interactive, dynamic and substantive discussion on key issues related to the financing for development framework;

14. Welcomes the efforts undertaken to give more prominence to the consideration of the agenda item on financing for development during the annual substantive session of the Council, and stresses the need to continue to improve those modalities;

15. Encourages all relevant stakeholders to consider organizing seminars, panel discussions and briefings as part of the preparations for and contribution to the above-mentioned events in order to raise visibility, attract interest and participation and promote substantive discussions on a continuing basis;

16. Notes the ongoing discussions on innovative mechanisms of financing for development, including those of the high-level meeting on innovative financing for development, organized by the United Nations Development Programme on 17 December 2012, while reiterating that such voluntary mechanisms should supplement and not be a substitute for traditional sources of financing;

17. Reiterates the importance of further improving cooperation between the United Nations, the Bretton Woods institutions and the World Trade Organization in the implementation of the Monterrey Consensus and the Doha Declaration, based on a clear understanding of and respect for their respective mandates and governance structures;

18. Welcomes, in that regard, the invitation by the Chairman of the joint Development Committee of the World Bank Group and the International Monetary Fund to the President of the Council to participate in the meeting of the Committee, and notes that the participation of the President of the Council in meetings of the intergovernmental bodies of the international organizations, as appropriate, can contribute to the financing for development follow-up process;

19. Encourages the Department of Economic and Social Affairs of the Secretariat, especially the Financing for Development Office, to maintain regular interaction at the staff level with the World Bank Group, the International Monetary Fund, the World Trade Organization and the United Nations Conference on Trade and Development in the interest of greater coherence, coordination and cooperation, each acting in accordance with its respective intergovernmental mandates;

20. Welcomes the decision of the General Assembly to hold open, transparent and inclusive consultations to review and explore the modalities of the financing for development process, including possible arrangements to strengthen the process, as well as options for bringing together the various processes covering development financing in an integrated manner, taking into account the recommendations contained in the report of the Secretary-General on modalities of the financing for development follow-up process, and looks forward to the successful conclusion of those consultations;

21. Recalls the decision of the General Assembly to hold informal consultations with a view to taking a final
decision on the need for a follow-up financing for development conference by 2013;

22. Reiterates its appeal to Member States and other potential donors to consider contributing generously to the Trust Fund for the Follow-up to the International Conference on Financing for Development, which would facilitate the implementation of a strengthened and more effective intergovernmental inclusive process to carry out the financing for development follow-up.

**Report of Secretary-General.** In response to Assembly resolution 67/199 [YUN 2012, p. 955], the Secretary-General submitted a September report [A/68/357] on the follow-up to and implementation of the Monterrey Consensus [YUN 2002, p. 953] and the Doha Declaration on Financing for Development [YUN 2008, p. 1069]. The report presented developments in six thematic areas: mobilizing domestic financial resources for development; mobilizing international resources for development; foreign direct investment and other private flows; international trade as an engine for development; increasing international financial and technical cooperation for development; external debt; and addressing systemic issues: enhancing the coherence and consistency of the international monetary, financial and trading systems in support of development. The strengthening of the financing for development intergovernmental follow-up process was also reviewed.

Studies had concluded that the financing needs for sustainable development were extremely large, yet they represented a relatively small portion of global savings and assets. Although re-allocating the pool of global financial assets would be challenging, redirecting a small percentage of global financial assets towards sustainable development could have an enormous impact. Illicit financial flows continued to hamper the ability of many countries to mobilize domestic resources for development. Also, while value added taxes had proven to be a stable source of income for many countries, revenues had not compensated for the decline in trade taxes, resulting in a reduction of overall revenues in many LDCs, due in part to difficulties in administration and collection.

Foreign direct investment (fdi) remained a major component of private capital flows to developing countries. Globally, fdi decreased by around 18 per cent from 2011 to 2012, though the largest drop in inflows was to developed countries. Net fdi flows to developing countries were estimated to have amounted to approximately $419 billion in 2012, a 4 per cent decrease compared to 2011. Despite the overall drop, fdi to LDCs increased by 20 per cent in 2012. Moreover, outward fdi from developing and transition economies had become increasingly significant, reaching 31 per cent of the world total in 2012. In terms of remittances, international flows to developing countries totalled $401 billion in 2012, far exceeding oda; however, those had not been a source of long-term investment for development.

In 2012, the recovery in world trade following the financial crisis lost momentum, with only 2 per cent growth in world trade, down from 5.2 per cent in 2011. The deceleration was associated with weakening demand from developed countries. Moreover, as many developing countries integrated in global networks of production and trade, they increasingly experienced the effects of the global slowdown. Also, bilateral, regional and interregional free trade agreements continued to proliferate, while progress on a multilateral trade system stalled.

For a second consecutive year, oda fell in real terms in 2012. Donors also fell short of the target to aid LDCs, whereby aid fell from 0.11 per cent of donors’ gni in 2011 to 0.10 per cent in 2012. Reductions in aid budgets had been largely due to post-crisis austerity policies in a number of donor countries. Meanwhile, South-South cooperation had become an increasingly important complementary source of development financing. Although oda was declining, it remained crucial for countries without sufficient resources to meet development goals.

The external debt-to-gdp ratio and public debt-to-gdp ratio for developing countries increased only slightly between 2011 and 2012. Sovereign debt challenges remained in some small States and low-income countries, particularly among countries in the Caribbean, where extreme weather events exacerbated already weak fiscal positions in some countries. In order to enhance the role of foreign borrowing for growth and development, efforts were needed to strengthen responsible lending and borrowing, debt management and a framework for sovereign debt restructuring.

In 2013, the international community continued its efforts to reform the international monetary and financial system and architecture. Further steps were needed in the areas of financial and economic policy coordination and global economic governance; financial regulation; multilateral surveillance; the global financial safety net; and sovereign debt.

**GENERAL ASSEMBLY ACTION**

On 20 December [meeting 71], the General Assembly, on the recommendation of the Second Committee [A/68/437], adopted resolution 68/204 without vote [agenda item 18].

**Follow-up to the International Conference on Financing for Development**

The General Assembly,

Recalling the International Conference on Financing for Development, held in Monterrey, Mexico, from 18 to 22 March 2002, and the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, held in Doha from 29 No—

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Recalling also the United Nations Millennium Declaration and the 2005 World Summit Outcome, 

Recalling further the Conference on the World Financial and Economic Crisis and Its Impact on Development and its outcome document, 

Recalling the high-level plenary meeting of the General Assembly on the Millennium Development Goals, held from 20 to 22 September 2010, and its outcome document, and the special event to follow up efforts made towards achieving the Millennium Development Goals, convened by the President of the General Assembly on 25 September 2013, and its outcome document, 

Recalling also the United Nations Conference on Sustainable Development, held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, and its outcome document, entitled “The future we want”, 

Recalling further the sixth High-level Dialogue on Financing for Development, held in New York on 7 and 8 October 2013, 

Noting the meeting of the Global Business Partnership Forum of the Economic and Social Council, entitled “Partnering for innovative solutions for sustainable development”, held in New York on 24 April 2013, 

Noting also the meeting of the United Nations Development Cooperation Forum of the Economic and Social Council, held in New York on 5 and 6 July 2012, 

Taking note of the summary by the President of the Economic and Social Council of the special high-level meeting of the Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development, held in New York on 22 April 2013, 

Recalling the special event on the financing of social development, held on 3 February 2012, during the fiftieth session of the Commission for Social Development, 

Noting the fifty-second session of the Commission on the Status of Women, held from 25 February to 7 March 2008, on the theme “Financing for gender equality and empowerment of women”, 

Noting also the ongoing work on options for innovative sources of financing for development, including in various forums, such as the Leading Group on Innovative Financing for Development, 

Noting further the informal event on innovative sources of financing organized by the Secretary-General on 3 June 2010, the separate meeting of the Second Committee, held on 13 October 2011, and the special event of the Economic and Social Council, held on 12 July 2012 during its substantive session,

Taking note of the reports of the Secretary-General on the follow-up to and implementation of the Monterrey Consensus and the Doha Declaration on Financing for Development, modalities of the financing for development follow-up process and innovative mechanisms of financing for development, 

Expressing deep concern about the ongoing adverse impacts, particularly on development, of the world financial and economic crisis, recognizing evidence of an uneven and fragile recovery, cognizant that the global economy, notwithstanding significant efforts that helped contain tail risks, improve financial market conditions and sustain recovery, still remains in a challenging phase, with downside risks, including high volatility in global markets, high unemployment, particularly among youth, indebtedness in some countries and widespread fiscal strains, which pose challenges for global economic recovery and reflect the need for additional progress towards sustaining and rebalancing global demand, and stressing the need for continuing efforts to address systemic fragilities and imbalances and to reform and strengthen the international financial system while implementing the reforms agreed upon to date, 

Reaffirming the recognition, as contained in the outcome document of the United Nations Conference on Sustainable Development, of the need for the significant mobilization of resources from a variety of sources and the effective use of financing in order to give strong support to developing countries in their efforts to promote sustainable development, including through actions undertaken in accordance with the outcome document of the Conference and for achieving sustainable development goals, 

Noting the establishment of the Global Partnership for Financial Inclusion in 2010 as a mechanism for institutionalizing and continuing the work begun by the Financial Inclusion Experts Group in 2010, 

Recalling the meeting of the Second Committee, held pursuant to resolution 67/197 of 21 December 2012, on 13 November 2013, to discuss actions in response to the world financial and economic crisis and its impact on development and prospects for restoring confidence and economic growth, 

Stressing the importance of the full involvement of all relevant stakeholders in the implementation of the financing for development agenda at all levels, 

1. Reaffirms the Monterrey Consensus of the International Conference on Financing for Development in its entirety, its integrity and its holistic approach, and recalls the resolve to take concrete action to implement the Monterrey Consensus and to address the challenges of financing for development in the spirit of global partnership and solidarity in support of the achievement of the internationally agreed development goals, including the Millennium Development Goals; 

2. Also reaffirms that each country has primary responsibility for its own development and that the role of national policies and development strategies for the achievement of sustainable development cannot be overemphasized, and recognizes that national efforts should be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of developing countries, while taking into account national conditions and ensuring respect for national ownership, strategies and sovereignty;
3. Reaffirms its determination to advance and strengthen the global partnership for development as the cornerstone of cooperation in the years ahead, as reaffirmed in the United Nations Millennium Declaration, the Monterrey Consensus, the Plan of Implementation of the World Summit on Sustainable Development (Johannesburg Plan of Implementation), the 2005 World Summit Outcome, the Doha Declaration on Financing for Development, outcome document of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, the outcome document of the Conference on the World Financial and Economic Crisis and Its Impact on Development, the outcome document of the high-level plenary meeting of the General Assembly on the Millennium Development Goals, entitled “Keeping the promise: united to achieve the Millennium Development Goals”, the outcome document of the United Nations Conference on Sustainable Development, entitled “The future we want”, and the outcome document of the 2013 special event to follow up efforts made towards achieving the Millennium Development Goals;

4. Reaffirms that gender equality and women’s empowerment are essential to achieve equitable and effective development and sustained, inclusive and equitable economic growth, reiterates the need for gender mainstreaming in the formulation and implementation of development policies, including financing for development policies, and for dedicated resources, and recognizes the importance of mainstreaming a gender perspective into the integrated and coordinated implementation of and follow-up to all the major United Nations conferences and summits in the economic, social, environmental and related fields;

5. Recognizes that the mobilization of financial resources for development and the effective use of all of those resources are central to the global partnership for development, including in support of the achievement of the internationally agreed development goals, including the Millennium Development Goals, and also recognizes that the mobilization of national and international resources and an enabling national and international environment are key drivers for development;

6. Recalls the importance of the overall commitment to just and democratic societies for development, as spelled out in the Monterrey Consensus, particularly that solid democratic institutions which are responsive to the needs of the people are essential for sustained economic growth, poverty eradication and employment creation;

7. Reaffirms that good governance and advancement of the rule of law at all levels are essential for the realization of sustained economic growth, sustainable development and the eradication of poverty and hunger, and hence reaffirms the importance of the implementation of the commitment to sound policies;

8. Recognizes that sustained, inclusive and equitable economic growth contributes to the achievement of the Millennium Development Goals, including the eradication of poverty and hunger;

9. Reaffirms that gender equality is of fundamental importance for achieving sustained and inclusive economic growth, poverty eradication and sustainable development, in accordance with the relevant resolutions of the General Assembly and United Nations conferences, and that investing in the development of women and girls has a multiplier effect, in particular on productivity, efficiency and sustained and inclusive economic growth, in all sectors of the economy, especially in key areas such as agriculture, industry and services;

10. Also reaffirms that an effective, efficient, transparent and accountable system for mobilizing public resources and managing their use by Governments is essential;

11. Recalls the resolve of Member States to enhance and strengthen domestic resource mobilization and fiscal space, including, where appropriate, through modernized tax systems, more efficient tax collection, the broadening of the tax base and the effective combating of tax evasion and capital flight, and reiterates that, while each country is responsible for its tax system, it is important to support national efforts in these areas by strengthening technical assistance and enhancing international cooperation and participation in addressing international tax matters;

12. Recognizes that the development of a sound and broad-based financial sector is central to the mobilization of domestic financial resources and should be an important component of national development strategies, as well as the need to strive for diversified, well-regulated, inclusive financial systems that promote savings and access to financial services and channel savings to sound projects that increase sustainable, long-term economic growth, generate revenues and create jobs;

13. Also recognizes, in this regard, that microfinance, including microcredit, can be effective in generating productive self-employment, which can help contribute to the achievement of the internationally agreed development goals, including the Millennium Development Goals, and underlines the need to appropriately support, in a coordinated manner, the efforts of developing countries, including in capacity-building for microfinance and other financial services that can foster financial inclusion;

14. Expresses deep concern about the ongoing adverse impacts of the global financial and economic crisis on development, including on the capacity of developing countries to mobilize resources for development, recognizes that there is a need to promote the recovery, and acknowledges that an effective response to the impacts of the crisis requires the timely implementation of all development commitments, including existing aid commitments;

15. Recalls that the ongoing fight against corruption at all levels is a priority, reaffirms the need to take urgent and decisive steps to continue to combat corruption in all its manifestations in order to reduce obstacles to effective resource mobilization and allocation and to prevent the diversion of resources away from activities that are vital for development, recalls that this requires strong institutions at all levels, including, in particular, effective legal and judicial systems and enhanced transparency, recognizes the efforts and achievements of developing countries in this regard, notes the increased commitment of States that have already ratified or acceded to the United Nations Convention against Corruption, and in this regard urges all States that have not yet done so to consider ratifying or acceding to the Convention;

16. Emphasizes the need for more effective government involvement in order to ensure appropriate regulation of the market, which promotes the public interest, and in this regard recognizes the need to better regulate financial markets and to promote economic stability and sustained, equitable and inclusive growth;
17. **Reaffirms** the importance of implementing measures to curtail illicit financial flows at all levels, enhance disclosure practices, and promote transparency in financial information, and in this regard notes that strengthening national and multilateral efforts to address this issue is crucial, including through support and technical assistance to developing countries to enhance their capacities.

18. **Emphasizes** the need to pursue, at the national level and in a manner consistent with national laws, appropriate policy and regulatory frameworks through which to encourage public and private initiatives, including at the local level, and to foster a dynamic and well-functioning business sector, while improving income growth and distribution, raising productivity, advancing women’s empowerment and protecting labour rights and the environment, and reiterates the importance of ensuring that the benefits of growth reach all people by empowering individuals and communities;

19. **Notes** that foreign direct investment is a major source of financing for development, in this regard calls upon developed countries to continue to devise source-country measures to encourage and facilitate the flow of foreign direct investment, inter alia, through the provision of export credits and other lending instruments, risk guarantees and business development services, calls upon developing countries to continue their efforts to create a national environment conducive to attracting investments by, inter alia, achieving a transparent, stable and predictable investment climate with proper contract enforcement and respect for property rights, and stresses the importance of enhancing efforts to mobilize investment from all sources in human resources and in physical, environmental, institutional and social infrastructure;

20. **Reaffirms** that there is a need to address and to promote conditions for cheaper, faster, more transparent and safer transfers of remittances, in a non-discriminatory fashion, in both source and recipient countries, and invites Member States, as well as the private sector, international organizations, the banking community and other stakeholders, to work towards the further reduction of the transfer costs of remittances;

21. **Also reaffirms** that international trade is an engine for development and sustained economic growth, and further reaffirms the critical role that a universal, rules-based, open, non-discriminatory and equitable multilateral trading system, as well as meaningful trade liberalization, can play in stimulating economic growth and development worldwide, thereby benefiting all countries at all stages of development;

22. **Emphasizes** the need to resist protectionist tendencies and to rectify any trade-distorting measures that are inconsistent with the rules of the World Trade Organization, recognizing the right of countries, in particular developing countries, to fully utilize flexibilities consistent with their World Trade Organization commitments and obligations;

23. **Notes** the progress made at the Ninth Ministerial Conference of the World Trade Organization, held in Bali, Indonesia, from 3 to 7 December 2013, and in this regard calls for a balanced, ambitious, comprehensive and development-oriented outcome of the Doha Development Agenda multilateral trade negotiations, in keeping with the development mandate of the Doha Ministerial Declaration, the decision of 1 August 2004 of the General Council of the World Trade Organization and the Hong Kong Ministerial Declaration adopted by the World Trade Organization in 2005;

24. **Underlines** the fact that the fulfilment of all official development assistance commitments is crucial, including the commitments by many developed countries to achieve the target of 0.7 per cent of gross national income for official development assistance to developing countries by 2015, as well as the target of 0.15 per cent to 0.20 per cent of gross national income for official development assistance to least developed countries, and urges developed countries that have not yet done so to fulfil their commitments for official development assistance to developing countries;

25. **Stresses** the essential role that official development assistance plays in complementing, leveraging and sustaining financing for development in developing countries and in facilitating the achievement of development objectives, including the internationally agreed development goals, in particular the Millennium Development Goals, and reiterates that official development assistance can play a catalytic role in assisting developing countries in removing constraints on sustained, inclusive and equitable growth by, inter alia, enhancing social, institutional and physical infrastructure, promoting foreign direct investment, trade and technological innovations, improving health and education, fostering gender equality, preserving the environment and eradicating poverty, and welcomes steps to improve the effectiveness and quality of aid based on the fundamental principles of national ownership, alignment, harmonization, managing for results and mutual accountability;

26. **Welcomes** the increasing efforts to improve the quality of official development assistance, to strengthen partnerships for development and to increase development effectiveness and impact, recognizes in this regard the Development Cooperation Forum of the Economic and Social Council and other initiatives, such as all of the high-level forums on aid effectiveness, which make important contributions to the efforts of the countries that have made commitments to their outcomes, including through the adoption of the fundamental principles of aid effectiveness, and bears in mind that there is no one-size-fits-all formula that will guarantee effective assistance and that the specific situation of each country needs to be fully considered;

27. **Considers** that innovative financing sources and mechanisms can make a positive contribution towards achieving the internationally agreed development goals, including the Millennium Development Goals, and assisting developing countries in mobilizing additional resources for development on a voluntary basis, as well as maximizing the impact of existing public and private flows, and that such financing can be an important supplement to traditional sources of financing, and encourages, while highlighting the considerable progress on innovative sources and mechanisms of financing for development achieved to date, the scaling-up of present initiatives and the development of new approaches, as appropriate;

28. **Stresses** the need to strengthen and support South-South cooperation, while stressing further that South-South cooperation is not a substitute for but rather a complement to North-South cooperation, and calls for the effective implementation of the Nairobi outcome document of the High-level United Nations Conference on South-South Cooperation, held in Nairobi from 1 to 3 December 2009;

29. **Recognizes** that South-South cooperation and triangular cooperation are mutually supportive in terms of both technical and financial assistance, emphasizes in this
regard the importance of further invigorating South-South cooperation, and invites all Member States to enhance South-South cooperation and triangular cooperation, focusing on shared development priorities with the involvement of all relevant stakeholders in Governments, civil society and the private sector;

30. **Urges** the donor community, Member States, international organizations, including the United Nations, the private sector, non-governmental organizations, trade unions and other stakeholders to strengthen the focus and the impact of development assistance targeting gender equality and the empowerment of women and girls through gender mainstreaming, the funding of targeted activities and enhanced dialogue between donors and partners, and also to strengthen the mechanisms needed to effectively measure the resources allocated to incorporating gender perspectives in all areas of development assistance.

31. **Emphasizes** the special importance of a timely, effective, comprehensive and durable solution to the debt problems of developing countries in order to promote their economic growth and development;

32. **Also emphasizes** that debt sustainability is essential for underpinning growth, underlines in this regard the importance of debt sustainability and effective debt management to the efforts to achieve national development goals, including the Millennium Development Goals, and acknowledges that sovereign debt crises tend to be costly and disruptive, including for employment and productive investments, and tend to be followed by cuts in public spending, including on health and education, affecting, the poor and the vulnerable in particular;

33. **Stresses** that the financial and economic crisis has highlighted the need for reform and has added new impetus to ongoing international discussions on the reform of the international financial system and architecture, including on issues related to mandate, scope, governance, responsiveness and development orientation, as appropriate, and in this regard encourages continued open, inclusive and transparent dialogue.

34. **Notes** the important efforts undertaken nationally, regionally and internationally to respond to the challenges posed by the financial and economic crisis in order to ensure a full return to growth with quality jobs, to reform and strengthen financial systems and to create strong, sustainable and balanced global growth;

35. **Recognizes** the need to continue to enhance the coherence and consistency of the international monetary, financial and trading systems and the importance of ensuring their openness, fairness and inclusiveness as complements to national development efforts to ensure sustained, inclusive and equitable economic growth and the achievement of the internationally agreed development goals, including the Millennium Development Goals;

36. **Reaffirms** the importance of broadening and strengthening the participation of developing countries in international economic decision-making and norm-setting, notes in this regard the important steps taken in the reform of the governance structures, quotas and voting rights of the Bretton Woods institutions, which are directed towards better reflecting current realities and enhancing the voice, the participation and the voting rights of developing countries, and recognizes the importance of continuing such reform processes in an ambitious and expeditious manner in order to deliver more effective, credible, accountable and legitimate institutions;

37. **Also reaffirms** that the United Nations funds and programmes, the regional commissions and the specialized agencies of the United Nations system, in accordance with their respective mandates, have an important role to play in advancing development and protecting development gains, in accordance with national strategies and priorities, including progress towards achieving the Millennium Development Goals, and further reaffirms its determination to continue to take steps for a strong, well-coordinated, coherent, effective and efficient United Nations system in support of the Goals;

38. **Further reaffirms** the need to intensify the engagement of the regional commissions in the financing for development follow-up process, including through the provision of technical advice and analyses to be made available to Member States;

39. **Reiterates** the importance of ensuring a strengthened and more effective intergovernmental inclusive process for carrying out the financing for development follow-up;

40. **Stresses** the relevance of the holistic financing for development agenda, as contained in the Monterrey Consensus and the Doha Declaration, for the integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic, social, environmental and related fields, and in this regard emphasizes that the Monterrey Consensus and the Doha Declaration on Financing for Development provide the conceptual framework, including in the context of the post-2015 development agenda, for the mobilization of resources from a variety of sources and the effective use of financing required for the achievement of sustainable development;

41. **Welcomes** the establishment of the Intergovernmental Committee of Experts on Sustainable Development Financing, and looks forward to the report of the Committee proposing options on an effective sustainable development financing strategy to facilitate the mobilization of resources and their effective use in achieving sustainable development objectives as a contribution to the financing for development follow-up process as well as to an intergovernmentally agreed United Nations development agenda beyond 2015;

42. **Stresses**, in this regard, the need to reinforce coherence and coordination and to avoid duplication of efforts with regard to the financing for development process, with a view to ensuring a single, comprehensive, holistic, forward-looking approach addressing the three dimensions of sustainable development;

43. **Decides** to convene, in 2015 or 2016, a third international conference on financing for development to assess the progress made in the implementation of the Monterrey Consensus and the Doha Declaration, to reinvigorate and strengthen the financing for development follow-up process, to identify obstacles and constraints encountered in the achievement of the goals and objectives agreed therein, as well as actions and initiatives to overcome these constraints, and to address new and emerging issues, including in the context of the recent multilateral efforts to promote international development cooperation, taking into account the current evolving development cooperation landscape, the interrelationship of all sources of development finance, the synergies between financing objectives across the three dimensions of sustainable development, as well as the need to support the United Nations development agenda beyond 2015;
44. Requests the President of the General Assembly to convene, as soon as possible, inclusive and transparent intergovernmental consultations, with the participation of the major institutional stakeholders involved in the financing for development process, as appropriate, on all issues related to the conference, including the date, format, organization and scope, taking into account the elements contained in the present resolution, and requests the Financing for Development Office of the Department of Economic and Social Affairs of the Secretariat to provide secretariat support for the consultations;

45. Recalls, in this regard, the need to review and explore the modalities of the financing for development process, including possible arrangements to strengthen the process, as well as options for bringing together the various processes covering development financing in an integrated manner;

46. Reiterates its appeal to Member States and other potential donors to consider contributing generously to the Trust Fund for the Follow-up to the International Conference on Financing for Development, which would facilitate the implementation of a strengthened and more effective inclusive, intergovernmental process for carrying out the financing for development follow-up;

47. Recognizes the work of the Financing for Development Office, and encourages the Office, in collaboration with experts from the public and private sectors, academia, civil society and other multilateral organizations who work in the field of financing for development, to continue its work in accordance with its mandate;

48. Decides to include in the provisional agenda of its sixty-ninth session the item entitled “Follow-up to and implementation of the outcome of the 2002 International Conference on Financing for Development and the 2008 Review Conference”, and requests the Secretary-General to submit, under the item, an annual analytical assessment of the status of implementation of the Monterrey Consensus and the Doha Declaration, and of the present resolution, to be prepared in full collaboration with the major institutional stakeholders.

High-level Dialogue on Financing for Development

In response to Assembly resolution 67/199 [YUN 2012, p. 955], by which the Assembly decided to hold its sixth High-level Dialogue on Financing for Development at UN Headquarters in the second half of 2015, the Secretary-General issued a July note (A/67/945) on the proposed organization of work of the Dialogue. The meeting, to be held on the theme “The Monterrey Consensus, Doha Declaration on Financing for Development and related outcomes of major United Nations conferences and summits: status of implementation and tasks ahead”, would consist of four plenary meetings, three multi-stakeholder round tables and an informal interactive dialogue. The round tables would focus on reform of the international monetary and financial system and its implications for global economic governance and sustainable development; the impact of the world financial and economic crisis on foreign direct investment and other private flows, external debt and international trade; and the role of financial and technical development cooperation in leveraging the mobilization of domestic and international financial resources for sustainable development. The informal dialogue would examine the link between financing for development and achieving the internationally agreed development goals, and advancing the UN development agenda beyond 2015.

GENERAL ASSEMBLY ACTION

On 16 September [meeting 99], the General Assembly adopted resolution 67/300 [draft: A/67/L.82] without vote [agenda item 19].

Modalities for the sixth High-level Dialogue on Financing for Development

The General Assembly,


1. Decides to hold its sixth High-level Dialogue on Financing for Development on 7 and 8 October 2013 at United Nations Headquarters;

2. Takes note of the note by the Secretary-General on the proposed organization of work of the sixth High-level Dialogue;

3. Decides that the overall theme of the sixth High-level Dialogue shall be “The Monterrey Consensus, the Doha Declaration on Financing for Development and related outcomes of major United Nations conferences and summits: status of implementation and tasks ahead”;

4. Stresses the importance of the full involvement of all relevant stakeholders in the implementation of the Monterrey Consensus at all levels, and also stresses the importance of their full participation in the financing for development follow-up process, in accordance with the rules of procedure of the General Assembly, in particular the accreditation procedures and modalities of participation utilized at the Monterrey and Doha Conferences;

5. Decides that the modalities for the sixth High-level Dialogue shall be the same as those used for the fifth High-level Dialogue, as described in General Assembly resolution 65/314 of 12 September 2011;

6. Also decides that the sixth High-level Dialogue shall consist of a series of plenary and informal meetings, three interactive multi-stakeholder round tables and an informal interactive dialogue;
7. Further decides that the themes of the round tables and of the informal interactive dialogue shall be as follows:
   (a) Round table 1: The impact of the world financial and economic crisis on the reform of the international monetary and financial system and its implications for development;
   (b) Round table 2: The mobilization of public and private financing, including foreign direct investment and other private flows, and the fostering of international trade and sustainable debt financing, in the context of financing for development;
   (c) Round table 3: The role of financial and technical development cooperation, including innovative sources of development finance, in leveraging the mobilization of domestic and international financial resources for sustainable development;
   (d) Informal interactive dialogue: The link between financing for development and achieving the internationally agreed development goals, including the Millennium Development Goals, and advancing the United Nations development agenda beyond 2015;

8. Decides that the sixth High-level Dialogue shall result in a summary by the President of the General Assembly, which will be issued as a document of the Assembly.

Summary by President of General Assembly. As set forth in a later summary of the event prepared by the Assembly President [A/68/627] in accordance with resolution 67/300 (see p. 936), participants at the sixth High-level Dialogue on Financing for Development stressed that the global financial and economic crisis had had a negative impact on fiscal space in donor countries, but agreed that the crisis should not be used as justification to avoid fulfilling commitments of development cooperation. They reaffirmed that the Monterrey Consensus and the Doha Declaration on Financing for Development provided a sound conceptual basis for discussions on the financing strategy for the post-2015 development agenda and noted that the financing framework would have to be adapted to new challenges, especially those related to the integration of the economic, social and environmental dimensions of sustainable development.

In his opening remarks, the Assembly President stated that the international community needed to accelerate efforts to mobilize financial resources towards achieving the MDGs and paving the way for a post-2015 development agenda. It was imperative that donor countries kept their commitments, in particular meeting the ODA objective of 0.7 per cent of GNI. The key challenge was to promote a financial system that reallocated a small percentage of global savings towards sustainable development and long-term investments.

The Secretary-General highlighted that greater efforts were needed to accelerate progress towards achieving the MDGs and sustainable development beyond 2015. He expressed concern over the decline in ODA and urged donor countries to fulfil aid commitments. He further emphasized that domestic resource mobilization remained a key component of financing for development; and that sustainability should be at the core of the financing for development process.

The Economic and Social Council Vice-President recognized the progress achieved towards some of the MDGs, but indicated that such progress had been insufficient and uneven within and across countries. He noted that the future development agenda should build on a strong financial framework, based on the Monterrey Consensus and the Doha Declaration, and on a renewed and strengthened global partnership for development.

Other matters

Competition law and policy

Group of experts

At its thirteenth session (Geneva, 8–10 July) [TD/B/C.1/CLP/25], the Intergovernmental Group of Experts on Competition Law and Policy considered the following topics: the role of competition in the global development agenda; the impact of cartels on the poor; priority setting and resource allocation as a tool for agency effectiveness; modalities and procedures for international cooperation in competition cases involving more than one country; and voluntary peer reviews of competition law and policy for Nicaragua, Pakistan and Ukraine.

In agreed conclusions, the Group reaffirmed the fundamental role of competition law and policy for sound economic development; noted that UNCTAD XIII and the MDGs had focused on addressing the opportunities and challenges of globalization for development and poverty reduction; underlined that competition law and policy was one of the key instruments for addressing globalization; and recognized that UNCTAD peer reviews on competition policy were an effective tool for assisting countries in assessing their performance and formulating capacity-building programmes. The Group decided that UNCTAD should undertake a further voluntary peer review on the competition law and policy of a Member State or a regional grouping of States during the Group’s fourteenth (2014) session. It requested the UNCTAD secretariat to disseminate the summary of discussions of the Group, including through its technical cooperation activities and peer reviews; and to organize round tables on ways and means to strengthen competition agencies in order to better deliver competition policy enforcement and advocacy, and feedback from recently peer-reviewed countries with competition agencies on enforcement and changes since the peer reviews. It further requested the UNCTAD secretariat to report on topics considered during the fourteenth session, and to organize that session of the Group as a preparatory meeting for the seventh United Nations Conference to Review All Aspects of the Set in 2015.
International Standards of Accounting and Reporting

Group of experts

At its thirtieth session (Geneva, 6–8 November) [TD/B/C.II/ISAR/66 & Corr.1], the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR) highlighted the critical importance of high-quality corporate reporting for accelerating the recovery of the world economy in the aftermath of recent financial and sovereign-debt crises. The Group underlined the growing role of globally recognized accounting and reporting standards in facilitating cross-border investment and capital flows; reiterated the importance of an integrated approach towards strengthening the foundations for high-quality corporate reporting; and emphasized the need for robust regulatory and institutional foundations and competent human resources for consistent implementation and enforcement of global corporate reporting standards and codes.

The Group took into consideration the issues note prepared by the UNCTAD secretariat [TD/B/C.II/ISAR/66] entitled “Key foundations for high-quality corporate reporting: Human resources development challenges”, which included information on the Accounting Development Toolkit (ADT) for high-quality reporting [YUN 2012, p. 960], and received feedback from countries that participated in 2012–2013 ADT pilot tests. It requested UNCTAD to roll out ADT more widely around the world and conduct further research and case studies on good practices in the areas of enforcement, monitoring, compliance and discipline to facilitate implementation of international requirements for high-quality corporate reporting.

The Group also considered a background document prepared by the UNCTAD secretariat [TD/B/C.II/ISAR/67] entitled “Best practices guidance for policymakers and stock exchanges on sustainability reporting initiatives”; and requested that the guidance document be finalized and disseminated as a voluntary technical aid. The Group also agreed on the importance of promoting a harmonized approach to sustainability reporting among Member States, while recognizing the need for flexibility in the types of initiatives adopted by policymakers and stock exchanges. It requested the UNCTAD secretariat to continue to monitor the development of sustainability reporting initiatives among policymakers and stock exchanges and to provide updates to the Group of Experts.

The Group noted that country case studies on corporate governance disclosure continued to provide important data to facilitate international benchmarking, measure progress over time and promote sharing of country experiences. It welcomed the role such studies could play in informing policy discussions and capacity-building activities. In that regard, the Group requested CTAD to continue to provide technical guidance to local institutions wishing to produce standardized country case studies by using the ISAR benchmark on good practices in corporate governance disclosure.

International cooperation in tax matters

Expert group meeting. The expert group meeting on extractive industries taxation (New York, 28 May) was organized by the Financing for Development Office of the UN Department of Economic and Social Affairs with the view to identify pressing issues for developing countries in that area and to inform the work of the Committee of Experts on International Cooperation in Tax Matters during its next annual session (see p. 939). The meeting brought together representatives from national tax authorities, international financial organizations, NGOs and the private sector. Participants discussed the impact of the extractive industry on national and international tax policy and administration, as well as the nexus between transfer pricing and the taxation of the extractive industries. The final session focused on lessons learned in building capacity in resource tax policy and administration.

Special meeting of the Economic and Social Council. On 15 February (decision 2013/204), the Economic and Social Council, recalling its resolution 2012/33 [YUN 2012, p. 961], decided that its one-day meeting to consider the question of international cooperation in tax matters, including institutional arrangements to promote such cooperation, would be held at UN Headquarters in New York on 29 May. On that date, participants included representatives of national tax authorities and international organizations active in the tax area. The Council had before it the Secretary-General’s May report (see p. 939); it considered the revised United Nations Model Double Taxation Convention between Developed and Developing Countries [YUN 2012, p. 962]; and launched the United Nations Practical Manual on Transfer Pricing for Developing Countries. The meeting included panel discussions on “Transfer pricing challenges for developing countries” and “International tax cooperation: capacity development in tax matters”, and an interactive discussion on “Current issues in countering international tax avoidance and tax evasion”.

Technical meetings. Two parallel technical meetings on capacity-building on tax treaty negotiation and administration (Rome, 28–29 January), jointly organized by the Financing for Development Office of the UN Department of Economic and Social Affairs and the International Tax Compact, aimed at strengthening the capacity of ministries of finance, national tax authorities and other competent authorities in developing countries to effectively identify and assess their needs in the area of tax treaty negotiation.
and administration. The meetings identified the main needs of developing countries in the area of tax treaty negotiation and administration; took stock of the available capacity development tools at the disposal of developing countries; and determined the actual skills gaps and challenges faced by developing countries in negotiating and administering their tax treaties.

A follow-up technical meeting on tax treaty administration and negotiation (New York, 30–31 May) brought together 32 representatives from relevant authorities of developing countries; several experts in international tax matters, including members of the United Nations Committee of Experts on International Cooperation in Tax Matters, and representatives of international and regional organizations. Participants discussed and revised a series of draft papers on selected issues regarding administration and negotiation of tax treaties with a view to ensuring that the papers adequately addressed the skills, gaps and challenges faced by developing countries. Following the meeting, the papers were further revised to comprise the United Nations Handbook on Selected Issues in Administration of Double Tax Treaties for Developing Countries.

Committee of experts

In response to Council resolution 2012/33, the Secretary-General submitted a May report (E/2013/67) on further progress in strengthening the work of the Committee of Experts on International Cooperation in Tax Matters. The report highlighted the recent major outputs of the Committee, including the 2011 revision of the United Nations Model Double Taxation Convention between Developed and Developing Countries [YUN 2012, p. 962] and the 2012 United Nations Practical Manual on Transfer Pricing for Developing Countries, and provided an update on the UN capacity development programme in international tax cooperation. It also reviewed developments and prospects regarding the deficiencies and gaps in international tax cooperation, as identified in the report of the Secretary-General on the role and work of the Committee [YUN 2012, p. 960] and suggested possible ways to address them.

The Secretary-General concluded that the Committee’s recent achievements demonstrated the prominent role of the United Nations in the area of international tax cooperation, particularly with regard to its development dimension. A stronger and more focused capacity-building effort would further help to meet the mandate given to the Committee by the Council and contribute to enhancing cooperation between the United Nations and relevant international and regional bodies. Additional resources were urgently needed to support the work of the Committee and its subcommittees, and to ensure that the subcommittees were duly balanced, representative and effective.

ECONOMIC AND SOCIAL COUNCIL ACTION

On 24 July [meeting 46], the Economic and Social Council adopted resolution 2013/24 [draft: E/2013/L.22] without vote [agenda item 13 (b)].

Committee of Experts on International Cooperation in Tax Matters

The Economic and Social Council,
Recalling its resolutions 2004/69 of 11 November 2004 and 2012/33 of 27 July 2012,
Recognizing the call made in the Monterrey Consensus of the International Conference on Financing for Development for the strengthening of 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, giving special attention to the needs of developing countries and countries with economies in transition,
Recalling the request to the Economic and Social Council made in the Doha Declaration on Financing for Development: outcome document of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus and the Outcome of the Conference on the World Financial and Economic Crisis and its Impact on Development to examine the strengthening of institutional arrangements to promote international cooperation in tax matters, including the Committee of Experts on International Cooperation in Tax Matters,
Recognizing that, while each country is responsible for its tax system, it is important to support efforts in these areas by strengthening technical assistance and enhancing international cooperation and participation in addressing international tax matters, including in the area of double taxation, Recognizing also the need for an inclusive, participatory and broad-based dialogue on international cooperation in tax matters,
Noting the activities developing within the concerned multilateral bodies and relevant subregional and regional organizations, and recognizing the need to promote collaboration between the United Nations and other international bodies dealing with cooperation in tax matters,
Welcoming the discussion in the Council on 29 May 2013 on international cooperation in tax matters, and its contribution to promoting the work of the Committee,
Noting the technical meeting on tax treaty administration and negotiation and the expert group meeting on extractive industries taxation held at United Nations Headquarters on 30 and 31 May and on 28 May 2013, respectively,
Taking note of the report of the Committee on its eighth session,

1. Welcomes the work of the Committee of Experts on International Cooperation in Tax Matters to implement the mandate given to it by the Economic and Social Council in its resolution 2004/69, and encourages the Committee to continue its efforts in this regard;
2. Takes note of the 2012 United Nations practical manual on transfer pricing for developing countries, developed by the Committee, notes the publication of the English-language version, and requests that:
    (a) The manual continue to be made freely available in downloadable form from the website of the Financing for

YUN 2013—4th proof—14 November 2017
Development Office of the Department of Economic and Social Affairs of the Secretariat;

(b) The manual be translated into the other official languages of the United Nations and published in those languages as soon as possible after the publication of the English-language version;

(c) The manual be updated as appropriate;

3. Takes note with appreciation of the report of the Secretary-General entitled “Further progress in strengthening the work of the Committee of Experts on International Cooperation in Tax Matters”, and acknowledges the need for enhanced dialogue among national tax authorities on issues related to international cooperation in tax matters;

4. Recognizes the need for continued consultations to explore options with regard to the strengthening of institutional arrangements to promote international cooperation in tax matters, including on the issue of the conversion of the Committee into an intergovernmental subsidiary body of the Council;

5. Emphasizes that it is important for the Committee to enhance its collaboration with other international organizations active in the area of international tax cooperation, including the International Monetary Fund, the World Bank and the Organization for Economic Cooperation and Development, and with relevant regional and subregional bodies;

6. Decides to hold, on an annual basis, a special meeting of the Council to consider international cooperation in tax matters, including, as appropriate, its contribution to mobilizing domestic financial resources for development and the institutional arrangements to promote such cooperation;

7. Encourages the President of the Council to invite representatives to national tax authorities to attend the aforementioned meeting;

8. Requests the Secretary-General to continue to report to the Council on further progress achieved in strengthening the work of the Committee and its cooperation with concerned multilateral bodies and relevant regional and subregional organizations;

9. Recognizes the progress made by the Financing for Development Office in its work in developing, within its mandate, a capacity development programme in international tax cooperation aimed at strengthening the capacity of the ministries of finance and national tax authorities in developing countries to develop more effective and efficient tax systems, which support the desired levels of public and private investment, and to combat tax evasion, and requests the Office, in partnership with other stakeholders, to continue its work in this area and to further develop its activities within existing resources and mandates;

10. Stresses the need for appropriate funding for the subsidiary bodies of the Committee to enable those bodies to fulfil their mandates;

11. Reiterates, in this regard, its appeal to Member States, relevant organizations and other potential donors to consider contributing generously to the Trust Fund for International Cooperation in Tax Matters, established by the Secretary-General in order to supplement regular budgetary resources, and invites the Secretary-General to intensify efforts to that end.

Also on 24 July (decision 2013/239), the Economic and Social Council decided to convene the ninth session of the Committee of Experts on International Cooperation in Tax Matters in Geneva from 21 to 25 October, and to approve the provisional agenda for the session.


Transport

Maritime transport

The Review of Maritime Transport, 2014 [Sales No. E.14.II.D.5], prepared by the UNCTAD secretariat, reported that growth in international seaborne shipments decelerated and averaged 3.8 per cent in 2013, taking total volumes to nearly 9.6 billion tons. Prospects for the world economy, trade and shipping appeared to improve; however, a number of risks remained, including the fragile recovery in developed economies, the difficulties facing growth in large emerging economies and geopolitical tensions. In 2013, the annual growth for the world fleet was 4.1 per cent, lower than that observed during any of the previous 10 years, with the slowdown reflecting the turn of the largest shipbuilding cycle that had peaked in 2012. For the first time since the economic and financial crisis, the order book for future vessel deliveries stopped its downward trend and increased slightly for most vessel types. Regarding fleet ownership, owners were increasingly locating
their companies in third countries, adding a possible third dimension to the “nationality” of a ship.

The year 2013 was marked by a low and volatile maritime freight rates market. All shipping segments suffered substantially, with freight rates in dry-bulk and tanker markets reaching a 10-year low in 2013 and similarly low levels in the liner market. The causes of freight rates low performance were mainly attributed to poor world economic development, weak or hesitant demand and persistent supply overcapacity in global shipping markets. As with previous years, 2013 was important in terms of the participation of institutional investors in the shipping sector. Private equity funds had been taking advantage of the opportunities created by tight credit markets and had been investing in shipping companies and vessels, with the objective of selling or floating such investments once the market rebounded. Furthermore, world container port throughput increased by an estimated 5.1 per cent to 651.1 million 20-foot equivalent units in 2013. Despite relatively weak growth in port throughput volumes, as compared to the trend prior to the economic crisis, the terminal operating sector was very active.

Progress was made regarding the implementation of the existing framework and programmes in the field of maritime and supply-chain security. The downward trend in maritime piracy incidents continued off the Coast of Somalia, the Gulf of Aden and the Western Indian Ocean. The situation in the West African Gulf of Guinea, however, remained serious. The report also examined shipping-related challenges faced by small island developing States resulting from their smallness, remoteness and exposure to natural hazards and vulnerability to impacts of climate change. The maritime transport services connecting small island developing states (sids) to global trade networks faced severe structural, operational and development obstacles. Remoteness from main global trade routes constituted a major disadvantage in terms of cost, time, and quality and frequency of services to access international markets.

Transport of dangerous goods

Committee of experts


The secretariat published the seventeenth revised edition of the Recommendations on the Transport of Dangerous Goods: Model Regulations [Sales No. E.11.VIII.1]; amendment 1 to the fifth revised edition of the Recommendations on the Transport of Dangerous Goods, Manual of Tests and Criteria [Sales No. E.11.VIII.2]; and the fourth revised edition of the Globally Harmonized System of Classification and Labelling of Chemicals [Sales No. E.11.II.E.6]. All of the main legal instruments and codes governing the international transport of dangerous goods by sea, air, road, rail or inland waterway had been amended accordingly, with effect from 1 January 2013, and many Governments had transposed the provisions of the Model Regulations into their own legislation for domestic traffic for application from 2013. Numerous Governments and international organizations had also revised or taken steps to revise existing national and international legislation in order to implement the Globally Harmonized System as soon as possible.

The Committee adopted amendments to the Model Regulations and the Manual of Tests and Criteria that consisted mainly of new or revised provisions concerning the classification of solid oxidizing substances; the transport of adsorbed gases; lithium batteries (including damaged or defective lithium batteries, lithium batteries for disposal or recycling); asymmetric capacitors; discarded packaging; ammonium nitrate and radioactive material; the testing of gas cartridges and fuel cell cartridges; the marking of bundles of cylinders; and the applicability of International Organization for Standardization standards to the manufacture of new pressure receptacles or service equipment. Amendments to the Globally Harmonized System adopted by the Committee included a new test method for oxidizing solids, miscellaneous provisions intended to further clarify the criteria for the hazard classes skin corrosion/irritation, severe eye damage/irritation and aerosols, and to complement the information to be included in the Safety Data Sheet; revised and simplified classification and labelling summary tables; a new codification system for hazard pictograms and revised and further rationalized precautionary statements.

The Committee adopted a programme of work for the biennium 2013–2014, planning its sessions and those of the Subcommittee of Experts on the Transport of Dangerous Goods and the Subcommittee of Experts on the Globally Harmonized System of Classification and Labelling of Chemicals in accordance with Council resolution 1999/65 [YUN 1999, p. 906]. It recommended a draft resolution for adoption by the Council (see below).

ECONOMIC AND SOCIAL COUNCIL ACTION

On 25 July [meeting 47], the Economic and Social Council adopted resolution 2013/25 [draft: E/2013/51] without vote [agenda item 13 (m)].

Work of the Committee of Experts on the Transport of Dangerous Goods and on the Globally Harmonized System of Classification and Labelling of Chemicals

The Economic and Social Council, Recalling its resolutions 1999/65 of 26 October 1999 and 2011/25 of 27 July 2011,
Having considered the report of the Secretary-General on the work of the Committee of Experts on the Transport of Dangerous Goods and on the Globally Harmonized System of Classification and Labelling of Chemicals during the biennium 2011–2012,

A. Work of the Committee regarding the transport of dangerous goods

Recognizing the importance of the work of the Committee of Experts on the Transport of Dangerous Goods and on the Globally Harmonized System of Classification and Labelling of Chemicals for the harmonization of codes and regulations relating to the transport of dangerous goods, Bearing in mind the need to maintain safety standards at all times and to facilitate trade, as well as the importance of these issues to the various organizations responsible for modal regulations, while meeting the growing concern for the protection of life, property and the environment through the safe and secure transport of dangerous goods, Noting the ever-increasing volume of dangerous goods being introduced into worldwide commerce and the rapid expansion of technology and innovation, Recalling that, while the major international instruments governing the transport of dangerous goods by the various modes of transport and many national regulations are now better harmonized with the model regulations annexed to the recommendations of the Committee on the transport of dangerous goods, further work on harmonizing these instruments is necessary to enhance safety and to facilitate trade, and recalling also that uneven progress in the updating of national inland transport legislation in some countries of the world continues to present serious challenges to international multimodal transport,

1. Expresses its appreciation for the work of the Committee of Experts on the Transport of Dangerous Goods and on the Globally Harmonized System of Classification and Labelling of Chemicals with respect to matters relating to the transport of dangerous goods, including their security in transport;

2. Requests the Secretary-General:
   (a) To circulate the new and amended recommendations on the transport of dangerous goods to the Governments of Member States, the specialized agencies, the International Atomic Energy Agency and other international organizations concerned;
   (b) To publish the eighteenth revised edition of the Recommendations on the Transport of Dangerous Goods: Model Regulations and amendment 2 to the fifth revised edition of the Recommendations on the Transport of Dangerous Goods: Manual of Tests and Criteria in all the official languages of the United Nations, in the most cost-effective manner, no later than the end of 2013;
   (c) To make those publications available on the website of the Economic Commission for Europe, which provides secretariat services to the Committee, in book format and on CD-ROM;

3. Invites all Governments, the regional commissions, the specialized agencies, the International Atomic Energy Agency and the other international organizations concerned to transmit to the secretariat of the Committee their views on the work of the Committee, together with any comments that they may wish to make on the recommendations on the transport of dangerous goods;

4. Invites all interested Governments, the regional commissions, the specialized agencies and the international organizations concerned to take into account the recommendations of the Committee when developing or updating appropriate codes and regulations;

5. Requests the Committee to study, in consultation with the International Maritime Organization, the International Civil Aviation Organization, the regional commissions and the intergovernmental organizations concerned, the possibilities of improving the implementation of the model regulations on the transport of dangerous goods in all countries for the purposes of ensuring a high level of safety and eliminating technical barriers to international trade, including through the further harmonization of international agreements or conventions governing the international transport of dangerous goods;

6. Invites all Governments, as well as the regional commissions and organizations concerned, the International Maritime Organization and the International Civil Aviation Organization to provide feedback to the Committee regarding differences between the provisions of national, regional or international legal instruments and those of the model regulations, in order to enable the Committee to develop cooperative guidelines for enhancing consistency between these requirements and reducing unnecessary impediments; to identify existing substantive and international, regional and national differences, with the aim of reducing those differences in modal treatment to the greatest extent practical and ensuring that, where differences are necessary, they do not pose impediments to the safe and efficient transport of dangerous goods; and to undertake an editorial review of the model regulations and various modal instruments with the aim of improving clarity, user friendliness and ease of translation;

B. Work of the Committee regarding the Globally Harmonized System of Classification and Labelling of Chemicals

Bearing in mind that in paragraph 23 (c) of the Plan of Implementation of the World Summit on Sustainable Development (Johannesburg Plan of Implementation), countries were encouraged to implement the Globally Harmonized System of Classification and Labelling of Chemicals as soon as possible with a view to having the system fully operational by 2008,

Bearing in mind also that the General Assembly, in its resolution 57/253 of 20 December 2002, endorsed the Johannesburg Plan of Implementation and requested the Economic and Social Council to implement the provisions of the Plan relevant to its mandate and, in particular, to promote the implementation of Agenda 21 by strengthening system-wide coordination,

Noting with satisfaction:
   (a) That the Economic Commission for Europe and all United Nations programmes and specialized agencies concerned with chemical safety in the field of transport or of the environment, in particular the United Nations Environment Programme, the International Maritime Organization and the International Civil Aviation Organization, have already taken appropriate steps to amend or update their legal instruments in order to give effect to the Globally Harmonized System or are considering amending them as soon as possible,
(b) The International Labour Organization, the Food and Agriculture Organization of the United Nations and the World Health Organization are also taking appropriate steps to adapt their existing chemical safety recommendations, codes and guidelines to the Globally Harmonized System, in particular in the areas of occupational health and safety, pesticide management and the prevention and treatment of poisoning.

(c) That national legislation or standards implementing the Globally Harmonized System, or allowing its application, in one or several sectors have already been issued in Brazil (2009), China (2010), Ecuador (2009), Japan (2006), Mauritius (2004), Mexico (2011), New Zealand (2001), the Republic of Korea (2006), the Russian Federation (2010), Serbia (2010), Singapore (2008), South Africa (2009), Switzerland (2009), Uruguay (2009) and Viet Nam (2009), as well as in the 27 countries members of the European Union and the 3 countries members of the European Economic Area (2008).

(d) That in Australia, the Model Work Health and Safety legislation and its related regulations and codes of practice implementing the provisions of the third revised edition of the Globally Harmonized System of Classification and Labelling of Chemicals already entered into force in five of the nine Australian jurisdictions in January 2012 and were expected to enter into force in two additional jurisdictions in January 2013.

(e) That in the European Union, the second and third adaptations to technical progress of its Classification, Labelling and Packaging Regulation, intended to bring its provisions into line with those of the third revised edition of the Globally Harmonized System, entered into force on 19 April 2011 and 31 July 2012, respectively, and that a fourth adaptation intended to align the aforementioned regulation with the fourth revised edition of the Globally Harmonized System is expected to be published in 2013.

(f) That in Thailand, the Ministry of Industry's Notification on a System of Hazard Classification and Communication of Hazardous Substances and its attached Provision, giving effect to the provisions of the third revised edition of the Globally Harmonized System, entered into force on 13 March 2012, and that similar pieces of legislation implementing the Globally Harmonized System in other sectors, for example, supply and use, were being finalized.

(g) That in the United States of America, the revised Hazard Communication Standard implementing the provisions of the third revised edition of the Globally Harmonized System at the workplace became effective on 25 May 2012.

(h) That work on the development or revision of national legislation, standards or guidelines applicable to chemicals in the implementation of the Globally Harmonized System continues in other countries, for example, Canada, Chile, Indonesia and the Philippines, while, for example, Barbados, Bolivia (Plurinational State of), Chile, Colombia, the Democratic Republic of the Congo, the Gambia, Guatemala, Jamaica, Kyrgyzstan, Malaysia, Mexico, Tajikistan and Zambia, activities related to the development of sectoral implementation plans or national implementation strategies are being conducted or are expected to be initiated soon.

(i) That a number of United Nations programmes and specialized agencies and regional organizations, in particular the United Nations Institute for Training and Research, the International Labour Organization, the World Health Organization, the Economic Commission for Europe, Asia-Pacific Economic Cooperation, the Organization for Economic Cooperation and Development and the European Union, Governments and non-governmental organizations representing the chemical industry have organized or contributed to multiple workshops, seminars and other capacity-building activities at the international, regional, subregional and national levels, in order to raise administration, health sector and industry awareness and to prepare for or support the implementation of the Globally Harmonized System.

Aware that effective implementation will require further cooperation between the Subcommittee of Experts on the Globally Harmonized System of Classification and Labelling of Chemicals and the international bodies concerned, continued efforts by the Governments of Member States, cooperation with the industry and other stakeholders and significant support for capacity-building activities in countries with economies in transition and developing countries,

Recalling the particular significance of the Global Partnership for Capacity-building to Implement the Globally Harmonized System of Classification and Labelling of Chemicals of the United Nations Institute for Training and Research, the International Labour Organization and the Organization for Economic Cooperation and Development for building capacities at all levels,

1. Commends the Secretary-General on the publication of the fourth revised edition of the Globally Harmonized System of Classification and Labelling of Chemicals in the six official languages of the United Nations, in book form and on CD-ROM, and its availability, together with related informational material, on the website of the Economic Commission for Europe, which provides secretariat services to the Committee of Experts on the Transport of Dangerous Goods and on the Globally Harmonized System of Classification and Labelling of Chemicals;

2. Expresses its deep appreciation to the Committee, the Commission and the United Nations programmes, specialized agencies and other organizations concerned for their fruitful cooperation and their commitment to the implementation of the Globally Harmonized System;

3. Requests the Secretary-General:
(a) To circulate the amendments to the fourth revised edition of the Globally Harmonized System to the Governments of Member States, the specialized agencies and other international organizations concerned;
(b) To publish the fifth revised edition of the Globally Harmonized System in all the official languages of the United Nations in the most cost-effective manner, no later than the end of 2013, and to make it available on CD-ROM and on the website of the Commission;
(c) To continue to make information on the implementation of the Globally Harmonized System available on the website of the Commission;

4. Invites Governments that have not yet done so to take the necessary steps, through appropriate national procedures and/or legislation, to implement the Globally Harmonized System as soon as possible;

5. Reiterates its invitation to the regional commissions, United Nations programmes, specialized agencies and other organizations concerned to promote the implementation of the Globally Harmonized System and, where relevant, to amend their respective international legal instruments addressing transport safety, workplace safety, consumer protec-
tion or the protection of the environment, so as to give effect to the Globally Harmonized System through such instruments;

6. *Invites* Governments, the regional commissions, United Nations programmes, specialized agencies and other organizations concerned to provide feedback to the Subcommittee of Experts on the Globally Harmonized System of Classification and Labelling of Chemicals on the steps taken for the implementation of the Globally Harmonized System in all relevant sectors, through international, regional or national legal instruments, recommendations, codes and guidelines, including, when applicable, information about the transitional periods for its implementation;

7. *Encourages* Governments, the regional commissions, United Nations programmes, specialized agencies and other relevant international organizations and nongovernmental organizations, in particular those representing industry, to strengthen their support for the implementation of the Globally Harmonized System by providing financial contributions and/or technical assistance for capacity-building activities in developing countries and countries with economies in transition;

C. Programme of work of the Committee

*Taking note* of the programme of work of the Committee of Experts on the Transport of Dangerous Goods and on the Globally Harmonized System of Classification and Labelling of Chemicals for the biennium 2013–2014 as contained in paragraphs 47 and 48 of the report of the Secretary-General,

*Noting* the relatively poor level of participation of experts from developing countries and countries with economies in transition in the work of the Committee and the need to promote their wider participation in its work,

1. *Approves* the programme of work of the Committee of Experts on the Transport of Dangerous Goods and on the Globally Harmonized System of Classification and Labelling of Chemicals;

2. *Stresses* the importance of the participation of experts from developing countries and countries with economies in transition in the work of the Committee, calls in that regard for voluntary contributions to facilitate their participation, including through support for travel and daily subsistence, and invites Member States and international organizations in a position to do so to contribute;

3. *Requests* the Secretary-General to submit to the Economic and Social Council in 2015 a report on the implementation of the present resolution, the recommendations on the transport of dangerous goods and the Globally Harmonized System of Classification and Labelling of Chemicals.