

International financial system and development

Report of Secretary-General. In response to General Assembly resolution 68/201 [YUN 2013, p. 921], the Secretary-General submitted a July report [A/69/188] on the international financial system and development. The report contained information on recent trends in international official and private capital flows to developing countries and efforts to strengthen the international financial system towards the post-2015 development agenda. Ongoing challenges in the key areas of financial regulation, sovereign debt distress, the global financial safety net, multilateral surveillance, policy coordination and governance reform of the international financial institutions were highlighted.

The Secretary-General concluded that despite notable progress, international financial regulatory reform remained behind schedule. For the system to be instrumental in financing the post-2015 development agenda, more attention needed to be given to how regulatory structures impact access to credit in areas that were critically important for sustainable development, such as infrastructure, innovation, and small and medium-sized enterprises. Fundamental reform of the global financial system would require progress in building resilience of financial institutions; transforming shadow banking to transparent and resilient market-based financing; ending “too-big-to-fail”; and increasing the safety of derivatives markets. Enhanced cooperation and increased complementarities between International Monetary Fund (IMF) and regional financing arrangements were important for global financial stability and sustainable growth.

Communication. By a letter dated 8 October [A/C.2/69/3], Singapore, on behalf of the Global Governance Group (3G), comprised of 30 UN Member States, transmitted to the Secretary-General a document entitled “Global Governance Group input to the Group of 20 (G20) on development and governance”. The 3G emphasized that the United Nations was the only global body with universal membership and unquestionable legitimacy and that it should make final decisions on shaping the process of the new global framework. The 3G urged the G20 to support the implementation of the post-2015 development agenda and called on the G20 to push for the early and comprehensive implementation of the “Bali Package” [YUN 2013, p. 909].

GENERAL ASSEMBLY ACTION

On 19 December [meeting 75], the General Assembly, on the recommendation of the Second Committee [A/69/466/Add.2], adopted **resolution 69/206** without vote [agenda item 17 (b)].

International financial system and development

The General Assembly,

Recalling its resolutions 55/186 of 20 December 2000 and 56/181 of 21 December 2001, both entitled “Towards a strengthened and stable international financial architecture responsive to the priorities of growth and development, especially in developing countries, and to the promotion of economic and social equity”, as well as its resolutions 57/241 of 20 December 2002, 58/202 of 23 December 2003, 59/222 of 22 December 2004, 60/186 of 22 December 2005, 61/187 of 20 December 2006, 62/185 of 19 December 2007, 63/205 of 19 December 2008, 64/190 of 21 December 2009, 65/143 of 20 December 2010, 66/187 of 22 December 2011, 67/197 of 21 December 2012 and 68/201 of 20 December 2013,

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, the Plan of Implementation of the World Summit on Sustainable Development (Johannesburg Plan of Implementation) and the SIDS Accelerated Modalities of Action (SAMOA) Pathway,

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 meeting of the Second Committee, held on 13 November 2013, pursuant to resolution 67/197, 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,

Recalling also its resolution 68/279 of 30 June 2014 on the modalities for the third International Conference on Financing for Development, to be held in Addis Ababa from 13 to 16 July 2015,

Recalling further 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,

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,

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 global 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. *Decides* to include in the provisional agenda of its seventieth session, under the item entitled “Macroeconomic policy questions”, the sub-item entitled “International financial system and development”;
5. *Requests* the Secretary-General to submit to the General Assembly at its seventieth session a report on the implementation of the present resolution, to be prepared in cooperation with the Bretton Woods institutions and other relevant stakeholders.

On 19 December (**decision 69/542**), the General Assembly took note of the report [A/69/466 & Add.1-3] of the Second Committee on macroeconomic policy questions, including those related to the international financial system and development.

Debt situation of developing countries

External debt sustainability and development

Report of Secretary-General. In response to General Assembly resolution 68/202 [YUN 2013, p. 924], the Secretary-General submitted a July report [A/69/167] on external debt sustainability and development. According to the report, the total external debt stocks of developing countries and transition economies reached \$6 trillion in 2013, indicating an 8.7 per cent increase over 2012. This marked the fourth consecutive year that the external debt growth of developing countries had exceeded the average growth rate of approximately 7 per cent. Long-term debt represented approximately 72 per cent of total debt stocks in 2013, as in 2012, and was mainly owed to private creditors. The share of official long-term lending to developing countries continued to decline

in 2013, as in 2012. However, the share of short-term debt increased from \$1.26 trillion in 2011 to \$1.35 trillion in 2012, reaching \$1.5 trillion in 2013.

Despite the slight improvement in export growth, debt ratios continued to worsen in 2013. Total debt to Gross Domestic Product (GDP) increased to 22.7 per cent in 2013, following increases in ratios in 2011 and 2012 to 20.9 and 21.7 per cent, respectively. Debt service to exports rose from 7.9 to 8.3 per cent, and total debt to exports increased from 72.8 per cent to 75.9 per cent from 2012 to 2013.

International reserves for developing countries increased to \$6.8 trillion in 2013 from nearly \$6.3 trillion in 2012. This represented a major improvement in the growth rate of reserves from 4.5 per cent in 2012 to 8.5 per cent in 2013. The stock of international reserves continued to exceed the stock of total debt for developing countries as a whole; however, the faster growth of debt than reserves since 2008 was a concern.

The report also provided an assessment of progress under international debt relief initiatives and the reform of credit rating agencies; and discussed emerging and existing challenges of developing countries in maintaining debt sustainability and the renewed debate surrounding a sovereign debt workout mechanism.

GENERAL ASSEMBLY ACTION

On 19 December [meeting 75], the General Assembly, on the recommendation of the Second Committee [A/69/466/Add.3], adopted **resolution 69/207** by recorded vote (125-4-44) [agenda item 17 (c)].

External debt sustainability and development

The General Assembly,

Recalling its resolutions 58/203 of 23 December 2003, 59/223 of 22 December 2004, 60/187 of 22 December 2005, 61/188 of 20 December 2006, 62/186 of 19 December 2007, 63/206 of 19 December 2008, 64/191 of 21 December 2009, 65/144 of 20 December 2010, 66/189 of 22 December 2011, 67/198 of 21 December 2012 and 68/202 of 20 December 2013,

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 Mon-

terrey 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 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 its resolution 68/279 of 30 June 2014 on the modalities for the third International Conference on Financing for Development, to be held in Addis Ababa from 13 to 16 July 2015,

Recalling its resolution 68/304 of 9 September 2014, in which it decided to define the modalities for the intergovernmental negotiations and the adoption of the text of the multilateral legal framework for sovereign debt restructuring processes at the main part of its sixty-ninth session, before the end of 2014,

Stressing the need for effective coordination and coherence in order to build synergies with other relevant United Nations intergovernmental processes,

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 the continued substantive consideration of the sub-item entitled “External debt sustainability and development”;
4. *Requests* the Secretary-General to submit to the General Assembly at its seventieth session a comprehensive report on the issue;
5. *Decides* to include in the provisional agenda of its seventieth session, under the item entitled “Macroeconomic policy questions”, the sub-item entitled “External debt sustainability and development”.

RECORDED VOTE ON RESOLUTION 69/207:

In favour: Afghanistan, Algeria, Angola, Antigua and Barbuda, Argentina, Armenia, Bahamas, Bahrain, Bangladesh, Barbados, Belarus, Belize, Benin, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burundi, Cabo Verde, Cambodia, Cameroon, Central African Republic, Chad, Chile, China, Colombia, Congo, Costa Rica, Côte d’Ivoire, Cuba, Democratic People’s Republic of Korea, Democratic Republic of the Congo, Djibouti, Dominican Republic, Ecuador, Egypt, El Salvador, Eritrea, Ethiopia, Fiji, Gambia, Ghana, Grenada, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, India, Indonesia, Iran, Iraq, Jamaica, Jordan, Kenya, Kiribati, Kuwait, Kyrgyzstan, Lao People’s Democratic Republic, Lebanon, Lesotho, Libya, Malawi, Malaysia, Maldives, Mali, Marshall Islands, Mauritania, Mauritius, Mexico, Micronesia, 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, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Singapore, Solomon Islands, Somalia, South Africa, South Sudan, Sri Lanka, Sudan, Suriname, Syrian Arab Republic, Tajikistan, Thailand, Timor-Leste, Togo, Trinidad and Tobago, Tunisia, Tuvalu, Uganda, United Arab Emirates, United Republic of Tanzania, Uruguay, Vanuatu, Venezuela, Viet Nam, Yemen, Zambia, Zimbabwe.

Against: Canada, Israel, Japan, United States.

Abstaining: Albania, Andorra, Australia, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Monaco, Montenegro, Netherlands, New Zealand, Norway, Poland, Portugal, Republic of Korea, Republic of Moldova, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom.

Sovereign debt restructuring process

Communications. By a letter dated 7 July [A/68/946-E/2014/91], Bolivia, on behalf of the Group of 77 and China, transmitted to the Secretary-General and the President of the Economic and Social Council a declaration in support of Argentina regarding the ruling on *NML Capital Ltd. vs. the Republic of Argentina*. It recalled its declaration adopted on 15 June in Santa Cruz de la Sierra, Bolivia and reiterated the urgent need for the international community to examine options for an effective, equitable, durable, independent and development-oriented international debt resolution mechanism.

On the same day [A/68/948], Bolivia, on behalf of the Group of 77 and China, transmitted to the Secretary-General a declaration entitled “For a new world order for living well”, in which it stressed the importance of not allowing vulture funds to paralyse the debt-restructuring efforts of developing countries.

On September, the General Assembly decided to elaborate and adopt through a process of intergovernmental negotiations, as a matter of priority during its sixty-ninth session, a multilateral legal framework for sovereign debt restructuring processes to improve the international financial system. It also decided to define the modalities for the intergovernmental negotiations and the adoption of the text of the multilateral legal framework at the main part of its sixty-ninth session, before the end of 2014 (see below).

GENERAL ASSEMBLY ACTION

On 9 September [meeting 107], the General Assembly adopted **resolution 68/304** [draft: A/68/L.57/Rev.1] by recorded vote (124-11-41) [agenda item 14].

Towards the establishment of a multilateral legal framework for sovereign debt restructuring processes

The General Assembly,

Recalling 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 also the 2005 World Summit Outcome and 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, in

which sustainable debt financing is recognized as an important element for mobilizing resources for public and private investment, 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, as well as General Assembly resolution 68/204 of 20 December 2013,

Recalling its resolution 68/279 of 30 June 2014 on the convening of the third International Conference on Financing for Development to assess the progress made in the implementation of the Monterrey Consensus and the Doha Declaration, reinvigorate and strengthen the financing for development follow-up process, 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 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 and the synergies among financing objectives across the three dimensions of sustainable development, as well as the need to support the United Nations development agenda beyond 2015,

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 its resolution 63/303 of 9 July 2009, in which it endorsed the Outcome of the Conference on the World Financial and Economic Crisis and Its Impact on Development, held in New York from 24 to 30 June 2009,

Stressing the need to reinforce coherence and coordination and to avoid duplication of efforts with regard to the financing for development process,

Taking note of the report of the Commission of Experts on Reform of the International Monetary and Financial System, convened by the President of the General Assembly at its sixty-third session,

Recalling its resolutions 58/203 of 23 December 2003, 59/223 of 22 December 2004, 60/187 of 22 December 2005, 61/188 of 20 December 2006, 62/186 of 19 December 2007, 63/206 of 19 December 2008, 64/191 of 21 December 2009, 65/144 of 20 December 2010, 66/189 of 22 December 2011, 67/198 of 21 December 2012 and 68/202 of 20 December 2013,

Noting that sovereign debt crises are a recurring problem that involves very serious political, economic and social consequences and that the restructuring processes of sovereign debt are a frequent phenomenon in the international financial system,

Noting with concern that there remain a number of low- and middle-income developing countries that are still facing difficulties in finding a durable solution to their external debt problems, which could adversely affect their sustainable development,

Recognizing that addressing the sovereign debt problems of developing countries is an important part of international cooperation,

Stressing the importance for developing countries, on a case-by-case basis, of debt relief, including debt cancellation, as appropriate, and debt restructuring as debt crisis prevention and management tools,

Stressing also the need to work towards the establishment of responsible and preventive financial crisis policies to enhance transparent and sustainable national financial systems,

Recognizing the sovereign right of any State to restructure its sovereign debt, which should not be frustrated or impeded by any measure emanating from another State,

Recognizing also that the efforts of a State to restructure its sovereign debt should not be frustrated or impeded by commercial creditors, including specialized investor funds such as hedge funds, which seek to undertake speculative purchases of its distressed debt at deeply discounted rates on secondary markets in order to pursue full payment via litigation,

Noting that private creditors of sovereign debt are increasingly numerous, anonymous and difficult to coordinate and that there are a variety of debt instruments and a wide range of jurisdictions in which debt is issued, thus complicating the restructuring of sovereign debt,

Noting also the concern expressed in the declaration of the Summit of Heads of State and Government of the Group of 77 and China on the theme “For a New World Order for Living Well”, held in Santa Cruz de la Sierra, Plurinational State of Bolivia, on 14 and 15 June 2014, concerning the so-called “vulture funds” and their actions of a highly speculative nature, which pose a risk to all future debt restructuring processes, for both developing and developed countries,

Taking into account the initiatives studied in the framework of the International Development Association of the World Bank and the International Monetary Fund to address the activities of the so-called “vulture funds”, with the objective of, inter alia, preventing such funds from benefiting from litigation initiated against indebted countries, which are forced to divert many of their resources to handle such litigation, thereby undermining the purpose of the debt restructuring processes,

Recalling, among other things, the work carried out by the International Monetary Fund in 2003, with the support of the International Monetary and Financial Committee, to formulate a proposal for a sovereign debt restructuring mechanism,

Stressing the importance of the Principles on Promoting Responsible Sovereign Lending and Borrowing issued by the United Nations Conference on Trade and Development on 4 May 2011, which aim to reduce the prevalence of sovereign debt crises, prevent unsustainable debt situations, maintain steady economic growth and help achieve the Millennium Development Goals, encouraging to that end responsible sovereign borrowing,

Stressing also the need to continue to address systemic fragilities and imbalances and the need for continuing efforts to reform and strengthen the international financial system,

Noting with concern that the international financial system does not have a sound legal framework for the orderly and predictable restructuring of sovereign debt, which further increases the cost of non-compliance,

Recognizing the need to create a legal framework that facilitates the orderly restructuring of sovereign debts, allows the re-establishment of viability and growth without creating incentives that inadvertently increase the risk of non-compliance and acts as a deterrent to disruptive litigation that creditors could engage in during negotiations to restructure sovereign debts,

Stressing, in this context, the importance of establishing a clear set of principles for the management and resolution of financial crises that take into account the obligation of sovereign creditors to act in good faith and with a cooperative spirit to reach a consensual rearrangement of the debt of sovereign States,

Recognizing that debt-restructuring processes should have as their core element a determination of real payment capacity so that they do not adversely affect economic growth and the fulfilment of the unfinished business of the Millennium Development Goals, the sustainable development goals and the post-2015 development agenda,

Stressing that, in the restructuring of sovereign debt, the progressive development and codification of international law are necessary in order to make it a more effective means to implement the purposes and principles of the Charter of the United Nations and to give greater importance to its role in the relations among States,

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

2. *Calls for* the intensification of efforts to prevent debt crises by enhancing international financial mechanisms for crisis prevention and resolution, in cooperation with the private sector, with a view to finding solutions acceptable to all;

3. *Calls upon* all Member States and the United Nations system, and invites the Bretton Woods institutions and the private sector, 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;

4. *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 sustainable development and a durable solution to the problem of the debt of developing countries;

5. *Decides* to elaborate and adopt through a process of intergovernmental negotiations, as a matter of priority during its sixty-ninth session, a multilateral legal framework for sovereign debt restructuring processes with a view, inter alia, to increasing the efficiency, stability and predictability of the international financial system and achieving sustained, inclusive and equitable economic growth and sustainable development, in accordance with national circumstances and priorities;

6. *Also decides* to define the modalities for the intergovernmental negotiations and the adoption of the text of the multilateral legal framework at the main part of its sixty-ninth session, before the end of 2014.

RECORDED VOTE ON RESOLUTION 68/304:

In favour: Afghanistan, Algeria, Angola, Antigua and Barbuda, Argentina, Azerbaijan, Bahamas, Bahrain, Bangladesh, Barbados, Belarus, Benin, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burundi, Cabo Verde, Chad, Chile, China, Colombia, Comoros, Congo, 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, Grenada, Guatemala,

Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, India, Indonesia, Iran, Iraq, Jamaica, Jordan, Kazakhstan, Kenya, Kiribati, Kuwait, Kyrgyzstan, Lao People's Democratic Republic, Lebanon, Libya, Madagascar, Malawi, Malaysia, Maldives, Mauritania, Mauritius, Mongolia, Morocco, Mozambique, Myanmar, Namibia, Nepal, Nicaragua, Niger, Nigeria, Oman, Pakistan, Palau, Panama, Paraguay, Peru, Philippines, Qatar, Russian Federation, Rwanda, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Sao Tome and Principe, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Singapore, Solomon Islands, South Africa, South Sudan, Sri Lanka, Sudan, Suriname, Swaziland, Syrian Arab Republic, Tajikistan, Thailand, Togo, Tonga, Trinidad and Tobago, Tunisia, Turkey, Turkmenistan, Uganda, United Arab Emirates, United Republic of Tanzania, Uruguay, Vanuatu, Venezuela, Viet Nam, Yemen, Zambia, Zimbabwe.

Against: Australia, Canada, Czech Republic, Finland, Germany, Hungary, Ireland, Israel, Japan, United Kingdom, United States.

Abstaining: Albania, Andorra, Armenia, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Denmark, Estonia, France, Georgia, Greece, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Mexico, Monaco, Montenegro, Netherlands, New Zealand, Norway, Papua New Guinea, Poland, Portugal, Republic of Korea, Republic of Moldova, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Ukraine.

ACABQ report. On 12 December, ACABQ transmitted to the General Assembly its report [A/69/658] on modalities for the implementation of resolution 68/304 (see p. 000) on establishing a multilateral legal framework for sovereign debt restructuring processes. ACABQ recommended that upon adoption of the draft resolution [A/C.2/69/L.4/Rev.1] (see below), additional resources in the amount of \$251,900 would be required of the programme budget for the 2014–2015 biennium.

GENERAL ASSEMBLY ACTION

On 29 December [meeting 77], the General Assembly, on the recommendation of the Second Committee [A/69/466/Add.3], adopted **resolution 69/247** by recorded vote (120-15-35) [agenda item 17 (c)].

Modalities for the implementation of resolution 68/304, entitled “Towards the establishment of a multilateral legal framework for sovereign debt restructuring processes”

The General Assembly,

Recalling its resolution 68/304 of 9 September 2014, entitled “Towards the establishment of a multilateral legal framework for sovereign debt restructuring processes”,

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 the 2005 World Summit Outcome and 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 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, as well as General Assembly resolution 68/204 of 20 December 2013, and the upcoming third International Conference on Financing for Development, to be held in Addis Ababa from 13 to 16 July 2015,

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 its resolution 63/303 of 9 July 2009, in which it endorsed the Outcome of the Conference on the World Financial and Economic Crisis and Its Impact on Development, held in New York from 24 to 30 June 2009,

Stressing the need for effective coordination and coherence in order to build synergies with other relevant United Nations intergovernmental processes, including in particular the preparatory process for the third International Conference on Financing for Development,

Recognizing the work carried out by the International Monetary Fund, the United Nations Conference on Trade and Development, the Department of Economic and Social Affairs of the Secretariat and the Paris Club on sovereign debt restructuring,

Recognizing also the roles of the United Nations and the international financial institutions in accordance with their respective mandates, and encouraging them to continue to support global efforts towards sustainable development and a durable solution to the problem of the debt of developing countries,

1. *Decides* to establish an ad hoc committee, open to the participation of all Member States and observers of the United Nations, to elaborate through a process of intergovernmental negotiations, as a matter of priority during its sixty-ninth session, a multilateral legal framework for sovereign debt restructuring processes with a view, inter alia, to increasing the efficiency, stability and predictability of the international financial system and achieving sustained, inclusive and equitable economic growth and sustainable development, in accordance with national circumstances and priorities;

2. *Also decides* that the ad hoc committee shall hold at least three meetings of a duration of three working days each late in January and in May and June/July of 2015, and that the ad hoc committee may hold additional consultations and drafting sessions as required;

3. *Further decides* that the ad hoc committee shall meet at United Nations Headquarters in New York;

4. *Requests* the President of the General Assembly to make the necessary organizational arrangements to ensure that the ad hoc committee completes its work in a timely manner;

5. *Requests* the Secretary-General to invite Member States and observers to submit their comments on the necessary elements of the multilateral legal framework for sovereign debt restructuring processes no later than 10 days before the first meeting of the ad hoc committee, and to make such comments available electronically;

6. *Invites* relevant bodies and organizations of the United Nations system, as well as other relevant stakeholders, including regional and international financial institutions, in particular the World Bank and the International Monetary Fund, as well as other intergovernmental

and non-governmental organizations, the private sector and academia, with an interest in the matter to make contributions to the work entrusted to the ad hoc committee, in accordance with the established practices of the United Nations;

7. *Calls upon* the regional commissions to contribute to the work of the ad hoc committee, as appropriate;

8. *Requests* the Secretary-General to provide all appropriate support to the work of the ad hoc committee, including through ensuring inter-agency cooperation and effective participation and coherence within the United Nations system, in particular by taking advantage of the technical expertise of the United Nations Conference on Trade and Development and regional and international financial institutions, as appropriate, and in accordance with their respective mandates;

9. *Also requests* the Secretary-General, in order to enhance the active participation of representatives from developing countries, particularly countries in special situations, in the work of the ad hoc committee, to make efforts to use the available resources for that purpose, and also invites international and bilateral donors, as well as the private sector, financial institutions, foundations and other donors in a position to do so, to support the work of the ad hoc committee through voluntary contributions, including coverage of economy-class air tickets, daily subsistence allowances and terminal expenses;

10. *Requests* the ad hoc committee to submit to the General Assembly at its sixty-ninth session a proposal for consideration and appropriate action.

RECORDED VOTE ON RESOLUTION 69/247:

In favour: Afghanistan, Algeria, Angola, Argentina, Armenia, Azerbaijan, Bahamas, Bahrain, Bangladesh, Barbados, Belarus, Benin, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burundi, Cabo Verde, Cambodia, Cameroon, Central African Republic, Chad, Chile, China, Colombia, Congo, Costa Rica, Côte d'Ivoire, Cuba, Democratic People's Republic of Korea, Djibouti, Dominican Republic, Ecuador, Egypt, El Salvador, Equatorial Guinea, Eritrea, Ethiopia, Fiji, Ghana, Grenada, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, India, Indonesia, Iran, Iraq, Jamaica, Jordan, Kazakhstan, Kenya, Kiribati, Kuwait, Kyrgyzstan, Lao People's Democratic Republic, Lebanon, Lesotho, Liberia, Libya, Madagascar, Malaysia, Maldives, Mali, 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, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Singapore, Solomon Islands, South Africa, South Sudan, Sri Lanka, Sudan, Suriname, Syrian Arab Republic, Tajikistan, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Turkmenistan, Uganda, United Arab Emirates, United Republic of Tanzania, Uruguay, Venezuela, Viet Nam, Yemen, Zambia, Zimbabwe.

Against: Australia, Belgium, Bulgaria, Canada, Denmark, Finland, Germany, Hungary, Ireland, Israel, Japan, Netherlands, Switzerland, United Kingdom, United States.

Abstaining: Albania, Andorra, Austria, Bosnia and Herzegovina, Croatia, Cyprus, Czech Republic, Estonia, France, Georgia, Greece, Honduras, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Monaco, Montenegro, New Zealand, Norway, Poland, Portugal, Republic of Korea, Republic of Moldova, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Ukraine.

Financing for development

In 2014, 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].

Follow-up to the International Conference on Financing for Development

Special high-level meeting of the Economic and Social Council

The Economic and Social Council held a special high-level meeting with the Bretton Woods institutions (the World Bank Group and IMF), World Trade Organization and United Nations Conference on Trade and Development (UNCTAD) (New York, 14–15 April) under the theme “Coherence, coordination and cooperation in the context of financing for sustainable development and the post-2015 development agenda”. The meeting was organized around one high-level panel on “World economic situation and prospects”; and two thematic debates on “Mobilization of financial resources and their effective use for sustainable development” and “Global partnership for sustainable development in the context of the post-2015 development agenda”.

The meeting had before it a March note by the Secretary-General [E/2014/53] on coherence, coordination and cooperation in the context of financing for sustainable development and the post-2015 development agenda, which provided background information and suggested points for discussion on the above three themes.

In his concluding remarks [A/69/83-E/2014/71], the President of the Economic and Social Council noted that the deliberations on the state and prospects of the world economy had highlighted that there was a need for greater cooperation and coherence in macroeconomic policies. Moreover, the deliberations had highlighted that the mobilization of resources for sustainable development would depend on strengthened international cooperation anchored in a coherent financing framework for sustainable development. He echoed the calls made for a renewed and strengthened global partnership for sustainable development to mobilize a wide range of stakeholders in support of the post-2015 agenda. He expressed the view that, in the light of the recently adopted reforms of the Council, a strengthened Council would be able to play an effective coordinating role and meaningfully support the implementation of the post-2015 development agenda.

ECONOMIC AND SOCIAL COUNCIL ACTION

On 13 June [meeting 25], the Economic and Social Council adopted **resolution 2014/11** [draft: E/2014/L.16] without vote [agenda item 9 (a)].

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, and the special event to follow up efforts made towards achieving the Millennium Development Goals, convened by the President of the 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,

Recalling further General Assembly resolutions 68/1 of 20 September 2013 on the strengthening of the Economic and Social Council, 68/204 of 20 December 2013 on the follow-up to the International Conference on Financing for Development and 65/146 of 20 December 2010 on innovative mechanisms of financing for development, and Economic and Social Council resolutions 2009/30 of 31 July 2009 on a strengthened and more effective intergovernmental inclusive process to carry out the financing for development follow-up and 2013/44 of 26 July 2013 on the follow-up to the International Conference, and all other relevant resolutions of the Assembly and the Council,

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 World Bank, the International Monetary Fund, the World Trade Organization and the United Nations Conference on Trade and Development, held in New York on 14 and 15 April 2014,

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,

Acknowledging the impact of the global financial and economic crisis on development, recognizing evidence of an uneven and fragile recovery, expressing its appreciation for the efforts that helped to contain tail risks, improve financial market conditions and sustain recovery, and acknowledging also that an effective response to the impacts of the crisis requires timely implementation of all development 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. *Welcomes* the decision made by the General Assembly, in its resolution 68/204 on the follow-up to the International Conference on Financing for Development, to convene a third international conference on financing for development;

4. *Also welcomes* the conclusion of the consultations on the modalities for the third International Conference on Financing for Development;

5. *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;

6. *Welcomes*, in that regard, the ongoing efforts, in accordance with resolution 68/1 and the annex thereto, 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;

7. *Looks forward* to the reports of the Intergovernmental Committee of Experts on Sustainable Development Financing and of the Open Working Group on Sustainable Development Goals, as mandated in the outcome document of the United Nations Conference on Sustainable

Development, as well as the synthesis report of the Secretary-General, as mandated by the General Assembly in its resolution 68/6 of 9 October 2013, which are to serve as important inputs to the preparations for the third International Conference on Financing for Development, the outcome of which should constitute an important contribution to and support the implementation of the post-2015 development agenda;

8. *Emphasizes* the need for effective coordination between the preparatory process for the third International Conference on Financing for Development and the preparations for the summit to be held in September 2015 for the adoption of the post-2015 development agenda, in order to promote coherence and to minimize duplication of effort;

9. *Encourages* the Financing for Development Office of the Department of Economic and Social Affairs of the Secretariat to continue providing effective secretariat support to the Intergovernmental Committee of Experts on Sustainable Development Financing and to the preparations for the third International Conference on Financing for Development, in cooperation with all relevant stakeholders, in order to ensure a coherent and integrated approach with other related processes;

10. *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;

11. *Welcomes* the substantive discussions at the previous High-level Dialogues on Financing for Development of the General Assembly and the special high-level meeting of the Council with the World Bank, the International Monetary Fund, the World Trade Organization and the United Nations Conference on Trade and Development, and emphasizes that those discussions are an integral and mutually reinforcing part of the financing for development follow-up process, including the preparations for the third International Conference on Financing for Development;

12. *Stresses* the need to further improve the dialogue between Member States and representatives of the World Bank, the International Monetary Fund, 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;

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

14. *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 World Bank, the International Monetary Fund, 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;

15. *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;

16. *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, including its coordination and management meetings, and stresses the need to continue to improve those modalities;

17. *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;

18. *Notes* the ongoing discussions on innovative mechanisms of financing for development, while reiterating that such voluntary mechanisms should supplement and not be a substitute for traditional sources of financing;

19. *Reiterates* the importance of further improving cooperation between the United Nations, the World Bank, the International Monetary Fund 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;

20. *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;

21. *Encourages* the Department of Economic and Social Affairs, 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 mandates and governance structures;

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, including the preparations for the third International Conference on Financing for Development.

GENERAL ASSEMBLY ACTION

On 30 June [meeting 99], the General Assembly adopted **resolution 68/279** [draft: A/68/L.49] without vote [agenda item 18].

Modalities for the third 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 November to 2 December 2008,-*

Recalling also its resolution 68/204 of 20 December 2013 on the follow-up to the International Conference on Financing for Development and all its previous resolutions on the subject, as well as Economic and Social Council resolution 2013/44 of 26 July 2013 on the follow-up to the Conference and all the previous resolutions of the Council on the subject,

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

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, 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 Assembly on 25 September 2013, and its outcome document,

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”,

Taking note of the summary by the President of the General Assembly of the sixth High-level Dialogue on Financing for Development, held in New York on 7 and 8 October 2013,

Noting the steps taken by the President of the General Assembly at its sixty-eighth session to convene 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 its resolution 68/204,

1. *Decides* that the third International Conference on Financing for Development:

(a) Shall be held in Addis Ababa from 13 to 16 July 2015;

(b) Shall be held at the highest possible political level, including Heads of State or Government, relevant ministers, including ministers for finance, foreign affairs and development cooperation and special representatives and other representatives, as appropriate;

(c) Shall result in an intergovernmentally negotiated and agreed outcome;

(d) Shall also result in summaries of the plenary meetings and other deliberations of the Conference, to be included in the report of the Conference;

2. *Welcomes* the offer of the Government of Ethiopia to host the third International Conference on Financing for Development;

3. *Reiterates* the scope of the third International Conference on Financing for Development, as in resolution 68/204;

4. *Reaffirms* the relevance of the holistic financing for development agenda, as contained in the Monterrey Consensus of the International Conference on Financing for Development 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, 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 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;

5. *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;

6. *Emphasizes* the need for effective coordination between the preparatory process for the third International Conference on Financing for Development and the preparations for the summit to be held in September 2015 for the adoption of the post-2015 development agenda, in order to promote coherence and to minimize duplication of effort;

7. *Reaffirms* that the third International Conference on Financing for Development will assess the progress made in the implementation of the Monterrey Consensus and the Doha Declaration, reinvigorate and strengthen the financing for development follow-up process, 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 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 among financing objectives across the three dimensions of sustainable development, as well as the need to support the United Nations development agenda beyond 2015;

8. *Invites* the Economic and Social Council to contribute to the preparations for the third International Conference on Financing for Development, as appropriate, including through its special high-level meeting with the World Bank, the International Monetary Fund, the World Trade Organization and the United Nations Conference on Trade and Development, to be held in 2015;

9. *Looks forward* to the reports of the Intergovernmental Committee of Experts on Sustainable Development Financing and of the Open Working Group on Sustainable Development Goals, as mandated in the outcome document of the United Nations Conference on Sustainable Development, as well as the synthesis report of the Secretary-General, as mandated in its resolution 68/6 of 9 October 2013, which are to serve as important inputs to the preparations for the third International Conference on Financing for Development, the outcome of which should constitute an important contribution to and support the implementation of the post-2015 development agenda;

10. *Requests* the President of the General Assembly to appoint two co-facilitators, one from a developed country and one from a developing country, to continue

direct intergovernmental consultations on all issues related to the third International Conference on Financing for Development and its preparatory process, and decides that those consultations must be scheduled in advance in order to facilitate participation from capitals in the informal consultations and drafting sessions and must be open, inclusive and transparent;

11. *Also requests* the President of the General Assembly, in consultation with Member States, to provide a programme of work, from within existing resources, including substantive informal sessions, with balanced geographical participation of experts and institutions, on relevant thematic areas, of a maximum duration of eight working days plus two working days for informal interactive hearings with representatives of civil society and the business sector during the period from September 2014 to March 2015, and to prepare summaries which may serve as inputs to the preparations for the third International Conference on Financing for Development;

12. *Requests* that the first draft of the outcome document be prepared by the co-facilitators on the basis of informal consultations, taking into account inputs from Member States, and presented by February 2015, and that informal consultations and drafting sessions on the outcome document be held as follows: in January 2015 for three days, in April 2015 for five days, and in June 2015 for five days;

13. *Stresses* the need for flexibility in the informal consultation process, including the possibility of convening additional consultations and drafting sessions, as required, although not after the conclusion of the third informal consultation;

14. *Decides* that all the negotiations of the outcome document shall be held at United Nations Headquarters in New York;

15. *Also decides* that the third International Conference on Financing for Development and its preparatory process shall be open to participation by all States Members of the United Nations or States members of specialized agencies and observers in the General Assembly, in accordance with arrangements utilized for previous international conferences on financing for development;

16. *Stresses* the importance of the full involvement of all relevant stakeholders in the implementation of the Monterrey Consensus and the Doha Declaration at all levels, and also stresses the importance of their full participation in the third International Conference on Financing for Development and its preparatory process, in accordance with the rules of procedure of the General Assembly, in particular the accreditation procedures and modalities of participation utilized at the International Conference on Financing for Development, held in Monterrey, and the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, held in Doha, and in their preparatory processes;

17. *Invites and encourages* non-governmental organizations and business sector entities, including small and medium enterprises from developing countries, to participate in the third International Conference on Financing for Development and its preparatory 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 and their preparatory processes, and decides that:

(a) Registration shall be open to all non-governmental organizations that are in consultative status with the Economic and Social Council and to all non-governmental organizations and business sector entities accredited to the Monterrey and Doha Conferences or to their follow-up processes;

(b) Interested non-governmental organizations and business sector entities that are not in consultative status with the Economic and Social Council or were not accredited to the Monterrey or Doha Conferences shall apply to the General Assembly for accreditation, following the accreditation procedures established during the Conferences;

(c) The above arrangements concerning participation of non-governmental organizations and business sector entities in the Conference and its preparatory process shall in no way create a precedent for meetings of the General Assembly;

18. *Reaffirms* the special role that the international financial and trade institutions, in particular the major institutional stakeholders involved in the financing for development follow-up process, should play in all aspects of the third International Conference on Financing for Development, including their active involvement in its preparatory work, following the experience of the Monterrey and Doha Conferences;

19. *Calls upon* the regional commissions, with the support of regional development banks and other relevant entities, to hold regional consultations, as appropriate, the outcome of which could serve as input to the preparations for the third International Conference on Financing for Development;

20. *Invites* all 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, in order to support the activities involved in the preparations for the third International Conference on Financing for Development and the travel and participation of representatives from developing countries, in particular the least developed countries;

21. *Requests* the Secretary-General to prepare a note on the organization of work of the third International Conference on Financing for Development;

22. *Also requests* the Secretary-General to provide all appropriate support to the work of the preparatory process for the third International Conference on Financing for Development and to the Conference itself and to ensure inter-agency cooperation and effective participation and coherence within the United Nations system, as well as the efficient use of resources, so that the objectives of the Conference can be addressed.

Report of Secretary-General. In response to General Assembly resolution 68/204 [YUN 2013, p. 931], the Secretary-General submitted an August report [A/69/358] 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 (FDI) 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 report also presented an update on intergovernmental follow-up processes in the lead-up to the third International Conference on Financing for Development.

Net private financial flows to developing countries reached \$420 billion in 2013, with FDI exhibiting the largest net increase over the last decade. Gross FDI inflows to developing economies reached a new high of \$778 billion in 2013. Although the value of projects from greenfield FDI—the form of FDI that had the most impact on sustainable development—increased by 9 per cent, it remained significantly below historical levels. Moreover, outward FDI from developing countries increased sharply, reaching \$454 billion.

Official development assistance (ODA) rose by 6.1 per cent in real terms from 2012 to 2013, reaching a record of \$134.8 billion; however, the overall share of ODA allocated to the least developed countries fell in recent years. Attention turned to climate financing in ODA, with a broad focus on mitigation, while financing for adaptation was limited.

In 2013, the external debt-to-GDP ratio for developing countries stood at 22.6 per cent, with low-income countries registering higher ratios than middle-income countries. There was a need for timely reform of the architecture for sovereign debt restructuring, including creating rules that provided comprehensive and fair treatment for all components of debt.

Efforts to improve the functioning, stability and resilience of the international monetary and financial system continued. Additional initiatives were needed in key areas relating to international economic policy coordination, multilateral surveillance, the global financial safety net, global governance and financial regulation.

Note by Secretary-General. In October [A/69/542], the Secretary-General transmitted to the General Assembly a note on the organization of work of the third International Conference on Financing for Development, pursuant to Assembly resolution 68/279 (see p. 000). Annexed thereto were the provisional rules of procedure, provisional agenda and the proposed timetable for the work of the Conference.

GENERAL ASSEMBLY ACTION

On 19 December [meeting 75], the General Assembly, on the recommendation of the Second Committee [A/69/467], adopted **resolution 69/208** 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 November to 2 December 2008, and its resolutions 68/6 of 9 October 2013, 68/204 of 20 December 2013 and 68/309 of 10 September 2014 concerning the Open Working Group on Sustainable Development Goals established pursuant to General Assembly resolution 66/288 and resolution 69/108 of 8 December 2014 on the report of the Intergovernmental Committee of Experts on Sustainable Development Financing established pursuant to General Assembly resolution 66/288, as well as Economic and Social Council resolution 2014/11 of 13 June 2014,

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

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

Recalling further its resolution 68/279 of 30 June 2014 on modalities for the third International Conference on Financing for Development, in which it welcomed the offer of the Government of Ethiopia to host the Conference, to be held in Addis Ababa from 13 to 16 July 2015,

1. Takes note of the report of the Secretary-General on the follow-up to and implementation of the Monterrey Consensus and Doha Declaration on Financing for Development;

2. Invites all 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, in order to support the activities involved in the preparations for the third International Conference on Financing for Development and the travel and participation of representatives from developing countries, in particular the least developed countries;

3. Requests the Secretary-General to report to the General Assembly at its seventieth session on the outcome of the Conference;

4. Decides to include in the provisional agenda of its seventieth session an item entitled “Follow-up to and implementation of the outcomes of the International Conferences on Financing for Development”.

Other matters

Competition law and policy

Group of experts

At its fourteenth session (Geneva, 8–10 July) [TD/B/C.I/CLP/34], the Intergovernmental Group of Experts on Competition Law and Policy considered the following topics: benefits of competition policy for consumers; communication strategies of competition authorities as a tool for agency effectiveness; informal cooperation among competition agencies in specific cases; review of capacity-building activities; UNCTAD online data bank on competition cases; and voluntary peer reviews of competition law and policy for Namibia, Seychelles and the Philippines.

In agreed conclusions, the Group reaffirmed the fundamental role of competition law and policy for sound economic development; noted that the Millennium Development Goals and UNCTAD XIII had focused on addressing the opportunities and challenges of globalization for development and poverty reduction; underlined that competition law and policy was a key instrument for addressing globalization; and recognized that an effective enabling environment for competition and development may include both national competition policies and international cooperation. The Group decided that UNCTAD should undertake further voluntary peer reviews on the competition law and policy of Member States or regional grouping of States during the seventh United Nations Conference to Review All Aspects of the Set in 2015. It requested UNCTAD to prepare studies for the seventh Conference. In addition, the Group requested UNCTAD to prepare a report on the implementation of the work programme and decisions taken at the sixth United Nations Conference to Review All Aspects of the Set in 2010, and an updated review of capacity-building and technical assistance.

International Standards of Accounting and Reporting

Group of experts

At its thirty-first session (Geneva, 15–17 October) [TD/B/C.I/ISAR/71], the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting underscored the facilitating role that reliable and globally comparable corporate reporting would have on attaining the sustainable development goals. The Group agreed on the critical role that monitoring of compliance and enforcement mechanisms played in the effective implementation of global standards and codes for high-quality corporate reporting; and called on UNCTAD to continue facilitating sharing of experiences and providing information on good practices in the area of monitoring of compliance and enforcement. The session requested the

UNCTAD secretariat to constitute a consultative group to assist with the preparation of a guiding document on such practices.

The Group took into consideration the note prepared by the UNCTAD secretariat [TD/B/C.II/ISAR/70], entitled “Key foundations for high-quality corporate reporting: Good practices of monitoring and enforcement, and compliance mechanisms”, which described the key elements that needed to be considered when building efficient monitoring and enforcement systems for companies, audit firms and professional accountants. It also highlighted standards and guidance issued by international and regional bodies; selected national good practices; and discussed the main challenges faced by countries in their efforts to establish efficient mechanisms for the monitoring of compliance and enforcement.

International cooperation in tax matters

Special meeting of the Economic and Social Council. Pursuant to Economic and Social Council resolution 2013/24 [YUN 2013, p. 939], the Council held a one-day meeting (New York, 5 June) to consider the question of international cooperation in tax matters, including its contribution to mobilizing domestic financial resources for development and the institutional arrangements to promote such cooperation. Participants included representatives of national tax authorities and international organizations active in the tax area. The Council had before it the report [E/2013/45-E/C.18/2013/6] of the ninth session of the Committee of Experts on International Cooperation in Tax Matters [YUN 2013, p. 940]. The meeting included panel discussions on “International tax cooperation: Current issues on the agenda of international organizations” and “Current issues in domestic resource mobilization for development: Base erosion and profit shifting”, and an interactive discussion on “Extractive industries taxation issues for developing countries”.

Committee of experts

Committee session. In accordance with Economic and Social Council **decision 2014/220**, the tenth session of the Committee of Experts on International Cooperation in Tax Matters was held in Geneva from 27 to 31 October 2014 [E/2014/45-E/C.18/2014/6]. The meeting discussed, inter alia, issues related to Article 4 (Resident): application of treaty rules to hybrid entities; Article 5 (Permanent establishment); Article 8 (Shipping, inland waterways transport and air transport); and Article 9 (Associated enterprises): update of its commentary and transfer pricing issues. The Committee decided to hold its eleventh session in Geneva from 19 to 23 October 2015, and approved its provisional agenda for the session.

ECONOMIC AND SOCIAL COUNCIL ACTION

On 13 June [meeting 25], the Economic and Social Council adopted **resolution 2014/12** [draft: E/2014/L.17] without vote [agenda item 16 (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 2013/24 of 24 July 2013,

Recalling also General Assembly resolution 68/1 of 20 September 2013,

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 multilateral bodies and relevant regional organizations concerned, 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 the institutional arrangements to promote international cooperation in tax matters, including the Committee of Experts on International Cooperation in Tax Matters,

Recalling also its decision 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,

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 and launched within concerned multilateral bodies and relevant subregional and regional organizations, and recognizing ongoing efforts to promote collaboration between the United Nations and other international bodies dealing with cooperation in tax matters,

Taking note of the report of the Committee for Development Policy on its sixteenth session,

Welcoming the discussion in the Council on 5 June 2014 on international cooperation in tax matters and its contribution to promoting the work of the Committee of Experts,

Noting the workshop on protecting the tax base of developing countries, held at United Nations Headquarters on 4 June 2014,

Taking note of the report of the Committee on its ninth 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. *Notes* the decision of the Committee, at its ninth session, to set up six subcommittees on substantial matters, namely article 9 (associated enterprises): transfer pricing; tax treatment of services; exchange of information; base erosion and profit-shifting issues for developing countries; extractive industries taxation issues for developing countries; and negotiation of tax treaties—practical manual, as well as an advisory group on capacity development;

3. *Acknowledges* the need for enhanced dialogue among national tax authorities on issues related to international cooperation in tax matters;

4. *Decides* to continue, including at its 2015 special meeting to consider international cooperation in tax matters, consultations on options with regard to the strengthening of institutional arrangements to promote international cooperation in tax matters, taking into account the need for an inclusive, participatory and broad-based dialogue on 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. *Encourages* the President of the Economic and Social Council to issue invitations to representatives of national tax authorities to attend the annual special meeting of the Council to consider international cooperation in tax matters;

7. *Requests* the Secretary-General to submit to the Council, at its special meeting to consider international cooperation in tax matters, a report, within existing resources and reflecting the views of Member States, on options for further strengthening the work and operational capacity of the Committee, with an emphasis on better integrating its work into the programme of work of the Council following its reform and effectively contributing to the financing for development follow-up process and to the post-2015 development agenda;

8. *Recognizes* the progress made by the Financing for Development Office of the Department of Economic and Social Affairs of the Secretariat in developing, within its mandate, a capacity development programme in international tax cooperation aimed at strengthening the capacity of the ministries of finance and the 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;

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

10. *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.

Transport

Maritime transport

The *Review of Maritime Transport, 2015* [Sales No. E.15.II.D.6] stated that global seaborne shipments increased by 3.4 per cent in 2014, reaching 9.84 billion tons. The world fleet grew by 3.5 per cent, to 1.75 billion deadweight tons (dwt), representing the lowest annual growth rate in over a decade. For the first time since the peak of the shipbuilding cycle, the average age of the world fleet increased slightly during 2014.

Container freight rates remained volatile throughout the year. Developing countries, especially in Africa and Oceania, paid 40 to 70 per cent more on average for the international transport of their imports than developed countries, mainly due to those regions' trade imbalances, pending port and trade facilitation reforms, lower trade volumes and shipping connectivity. Furthermore, developing economies' share of world container port throughput increased marginally to 71.9 per cent, reflecting an increase in South-South trade.

In 2014, important regulatory developments in transport and trade facilitation included the adoption of the International Code for Ships Operating in Polar Waters (Polar Code), as well as a range of regulatory developments relating to maritime and supply chain security and environmental issues.

Transport of dangerous goods

Committee of experts

The Committee of Experts on the Transport of Dangerous Goods and on the Globally Harmonized System of Classification and Labelling of Chemicals (GHS), at its seventh session (Geneva, 12 December) [ST/SG/AC.10/42 & Add.1-3 & Add.1/Corr.1-3 & Add.3/Corr.1], considered the reports of the Sub-Committee of Experts on the Transport of Dangerous Goods on its forty-third (24–28 June 2013) [ST/SG/AC.10/C.3/86 & Add.1], forty-fourth (25 November–4 December 2013) [ST/SG/AC.10/C.3/88], forty-fifth (23 June–2 July 2014) [ST/SG/AC.10/C.3/90] and forty-sixth (1–9 December 2014) [ST/SG/AC.10/C.3/92] sessions; and the reports of the Sub-Committee of Experts on the Globally Harmonized System of Classification and Labelling of Chemicals on its twenty-fifth (1–3 July 2013) [ST/SG/AC.10/C.4/50], twenty-sixth (4–6 December 2013) [ST/SG/AC.10/C.4/52], twenty-seventh (2–4 July 2014) [ST/SG/AC.10/C.4/54] and twenty-

eighth (10–12 December 2014) [ST/SG/AC.10/C.4/56] sessions, all held in Geneva.

The Committee endorsed the reports of the Sub-Committee of Experts on the Transport of Dangerous Goods, including the amendments to the existing recommendations on the transport of dangerous goods and the new recommendations made. The Committee likewise endorsed the reports of the Sub-Committee

of Experts on the Globally Harmonized System of Classification and Labelling of Chemicals, including the amendments to the existing text of the Sub-Committee and the new provisions adopted. The Committee also approved a programme of work for the biennium 2015–2016 and adopted a draft resolution on its work for consideration by the Economic and Social Council at its 2015 session.



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