



Fourth High-level Dialogue on Financing for Development

23-24 March 2010

The United Nations (UN) General Assembly on 23 -24 March 2010 convened its Fourth High-level Dialogue on [Financing for Development](#) at UN Headquarters. The Dialogue's overall theme was "The Monterrey Consensus and Doha Declaration on Financing for Development: status of implementation and tasks ahead". The Dialogue emerged from the Follow-up International Conference on Financing for Development in Doha, which took place from 29 November to 2 December 2008 and was attended by PNoWB Board member Corina Cretu¹. The Dialogue was structured around three roundtables followed by an interactive discussion.

The first Roundtable discussed the reform of the international monetary and financial system and its implications for development. Participants called for enhanced macroeconomic and financial policy coordination and reform. They also stressed the importance of recent proposals on governance reform of the Bretton Woods institutions. It was suggested that the role of Special Drawing Rights (SDRs) should be significantly increased to serve for international reserve and development purposes.

The second Roundtable focused on the impact of the current financial and economic crisis on foreign direct investment and other private flows, external debt and international trade. During the Roundtable speakers considered it important to reach an appropriate balance between economic stability and development, and ensure proper access to concessional finance in developing countries. Participants decided that it would be helpful to develop early warning systems that would identify risky financial behaviour.

The third Roundtable discussions surrounded 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 development. Participants noted the OECD's predictions of a \$17 billion shortfall in 2010 (\$13 billion shortfall to Africa) in reaching the 2005 aid commitments. There was a general consensus that donors should establish clear and realistic medium-term spending targets for aid, and meet them with year-by-year increases. Participants stressed the need for universal access to a formal financial sector, including a full array of financial services, especially for those with low and uncertain incomes, as well as for better financing for small- and medium-size enterprises (SMEs). They also called for the timely introduction of the financial transaction tax as a source of funding dedicated to development.

During the general debate, speakers stressed domestic mobilization of resources as the key source of financing for development, as well as national ownership of countries' development goals. They also emphasized the need to create a favourable environment for private investment, and for a successful conclusion of the Doha round of multilateral trade, stressing the importance of realizing the round's development goal. Participants noted the importance of fulfilling all ODA commitments and paying particular attention to the challenges of least developed. Some speakers focused on the need to strengthen the Financing for Development (FfD) follow-up mechanism to monitor the implementation of the decisions made in Monterrey and Doha.

¹ please refer to Ms. Cretu's article
in [PNoWB's Network News n°2 01/2009](#)

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