This note, prepared by the Secretariat, is submitted to the Committee for information under item 8 of the agenda.
THE UNITED NATIONS HIGH-LEVEL INTERGOVERNMENTAL EVENT ON FINANCING FOR DEVELOPMENT

1. The United Nations (UN) is currently preparing for a High-Level Inter-governmental Event on Financing for Development, which is to take place in 2001 or 2002 at least at the ministerial level. This Event aims to consider national, international and systemic issues relating to financing for development in a holistic manner in the context of globalisation and interdependence. To prepare the project, the General Assembly of the UN has created an Intergovernmental Preparatory Commission. It has also elected a 15-member Bureau. In addition the Secretary-General of the UN has established within the department of Economic and Social Affairs a Financing For Development Co-ordinating Secretariat. The Bureau and the Secretariat are seeking co-operation of the World Bank, International Monetary Fund (IMF), World Trade Organisation (WTO), the United Nations Conference on Trade And Development (UNCTAD) and other international organisations including the OECD. The forms of co-operation sought include participation in the Preparatory Committee, provision of research and policy advice, secondment of staff and raising issues for discussion in relevant Committees.

2. The provisional agenda for the Event is broad, and consists of five themes:

   - Mobilising Domestic Financial Resources for Development
   - Mobilising International Resources for Development: Foreign Direct Investment (FDI) and other Private Flows
   - Trade
   - Increasing International Financial Co-operation (Official Development Assistance) and debt
   - Addressing Systemic Issues: Enhancing the Coherence and Consistency of the International Monetary, Financial and Trading Systems in support of Development

Based on this provisional agenda, Working Groups have been formed for each of the five themes. These are to help develop concrete, action-oriented policy proposals on the different issues that fall within the agenda, which will be included in the Secretary-General’s single policy report.

3. The General Assembly and Secretary-General of the UN stress that both the Preparatory Process and the Final Event in 2001 or 2002 should involve all stakeholders in an innovative dialogue on the issues. These stakeholders include NGOs and other members of civil society. The need to engage effectively the business community is especially recognised. A hearing on business issues is planned for 11-12 December 2000 and other modalities for private sector consultation and involvement are also discussed. It is possible for all interested NGOs and private sector entities to submit their views online through the website of the Event.¹

¹ Website: http://www.un.org/esa/ffd/
The role of the working group on mobilisation of international resources

4. The Working Group (WG) on “Mobilising International Resources for Development: FDI and Other Private Flows” is chaired by UNCTAD (Mr. Karl Sauvant). The WG is developing proposals to enhance private capital flows for financing development. Specific issues tackled by the WG include the facilitation of (especially long term) private flows; the expansion of FDI to a much larger number of developing and transition countries, and sectors; the enhancement of the development impact of investments of transnational corporations in developing countries; the improvement of measures in both destination and source countries to reduce risks of excessive international volatility; and capacity building and technical assistance.

5. The work on investment conditions is considered as a key element in the preparation of the Event. Specifically, the WG intends to develop 10 to 15 recommendations on foreign investment policies on the basis of contributions from participants in the WG over the next few months. Issues to be addressed are wide-ranging and include: sustainable development, investment in socially desirable areas, hearings on international investment agreement, norms relating to the social responsibility of transnational corporations and a new forum for dialogue on international investment flows. A first draft set of recommendations will be discussed at the WG meeting on 28th September in New York.

The policy and involvement of the OECD in the preparatory process and final Event.

6. The Secretary-General of OECD has informed the UN of the Secretariat’s intention to assist the Preparatory Process and the Event with information on trends and OECD experience and policy guidance, and to participate in expert groups as appropriate and feasible. The overall co-ordination of OECD inputs for the Event is the responsibility of Deputy Secretary-General Sally Shelton-Colby, with Mr. Carey (Development Co-operation Directorate) as the central working level contact with the UN staff. To prepare and co-ordinate OECD inputs, an informal, inter-secretariat task force has been set up (DCD, DAF, ECH, DEV, PUMA, ENV, SGE).

7. Since the UN agenda is very broad, OECD inputs will need to be selective, drawing on existing work and documents to feed into the treatment of issues where the OECD is a major international provider of data, policy analysis and advice on rules of the game. It will be important to make these inputs at the formative stage of preparations (i.e. over the remainder of this year), when the various UN working groups are developing approaches to the main themes of the Event, before matters move to the intergovernmental process. Besides involvement in the preparatory process and final Event, the OECD Secretariat is closely monitoring the progress made and intends to inform the CIME on any further important developments at the UN in relation to international investment and multinational enterprises.

2. See Annex I for a list of participants in the working group.
ANNEX I
THE UN FINANCING FOR DEVELOPMENT: WORKING GROUPS

A. List of Working Groups and Convenors

Working Group on Systemic Issues
Convenor: Barry Herman, UNDESA.

Working Group on Trade
Convenor: John D.A. Cuddy, UNCTAD.

Working Group on Increasing International Financial Co-operation (aid) and Debt
Convenor: Enrique Rueda Sabater, World Bank/FfD Secretariat.

Working Group on Mobilisation of Domestic Resources and Development
Convenor: Cristian Ossa, UN.

Working Group on Mobilisation of International Resources, FDI and other Private Flows
Convenor: Mr. Karl Sauvant, UNCTAD

B. List of members of the UN Working Group on Mobilisation of International Resources

Mr. Karl Sauvant, UNCTAD (convenor)
Mr. Roberto Brauning Rodriguez, IMF.
Mr. Enrique Rueda-Sabater, World Bank
Ms. Ines Bustillo, ECLAC.
Ms. Jacqueline Alioisi de Larderel, UNEP.
Mr. Harris Gleckman, UN.
Ms. Krishnan Sharma, UN.
Mr. Reinaldo Figueredo, UNCTAD.
Mr. Azizul Islam, UNESCAP.
Mr. Philip Turner, BIS.
Mr. Rolf Alter, OECD.
Mr. Georg Kell, UN.