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Report of the Regional Consultation on Financing for Development in the Western Asia Region, Beirut, 23 and 24 November 2000

Contents

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Introduction

1. The Regional Consultation on Financing for Development for the Western Asia Region was held on 23 and 24 November 2000 at United Nations House in Beirut. It was placed under the patronage of the Prime Minister of Lebanon, Rafic Hariri, and inaugurated, on his behalf, by his Adviser, Ghazi Al-Youssef. The meeting was attended by delegates of six Economic and Social Commission for Western Asia (ESCWA) member States and six non-Member States of ESCWA, representatives of 13 international organizations and United Nations entities, eight regional intergovernmental and non-governmental organizations, 22 regional academic, research institutions and individual experts, and representatives of three private sector banks. The meeting elected Alain Bifany, Minister of Finance of Lebanon, as Chairperson, and Rajeha Bint Abdel Amir Ben Ali, Under-Secretary for Development Affairs of Oman, as Vice-Chairperson.

2. In his welcoming statement, the Executive Secretary of ESCWA, Hazem El-Beblawi, stressed that the international community needs to secure financial resources in order to benefit from the impressive scientific and technological capacities it possesses and to achieve development for the still underdeveloped populations of the world. He underlined that the object of the International Intergovernmental High-level Event on Financing for Development is to secure the agreement of the international community on terms for maximizing and utilizing available resources. Mr. El-Beblawi emphasized that in discussing the attitude of the ESCWA region towards these terms, some distinguishing regional characteristics must be borne in mind. Thus, while all ESCWA members are developing countries, several are also donors. Hence, a single country may epitomize the whole dynamic of the financing for development process by combining the concerns of developing and donor countries at one and the same time. The Executive Secretary also stressed the need to introduce greater stability in the generation and distribution of resources for development, pointing out the detrimental volatility of oil proceeds that have financed developmental efforts in the ESCWA region in the last few decades.

3. In his inaugural statement, delivered by his Adviser, Mr. Al-Youssef, Prime Minister Hariri expressed appreciation for the role the United Nations has played in reinforcing international cooperation by launching the financing for development process. Taking the example of Lebanon, he mentioned that the role of the state in promoting development is to secure the appropriate environment for enterprises through instituting a modern educational system, securing a skilled labour force, establishing needed infrastructure and enacting enabling laws. This should help in attracting domestic and international financial resources alike. Laying stress on the necessity of aligning domestic and international norms and rules, Prime Minister Hariri also emphasized the importance for ESCWA countries and the Arab region in general of a vast integrated economic zone, with financial and human resources and a market, that can enable them to compete in international markets.

4. The meeting discussed three of the six issues identified by the Preparatory Committee for the High-level Event: (a) “Mobilization of domestic financial resources for development” (see sect. I below); (b) “Mobilization of international financial resources for development: foreign direct investment and other private flows” (see sect. II below); and (c) “Addressing systemic issues: enhancing the coherence and consistency of the international monetary, financial and trading systems in support of development” (see sect. III below). The views and ideas of participants spanned a wide range of attitudes and approaches to development financing. A review of these ideas is set out below, based on the papers on the three issues presented to the meeting, comments of discussants, oral interventions during the sessions and written contributions handed to the ESCWA secretariat by participants. Before undertaking the present review, some observations are in order.

5. First, in the discussion of issues, ESCWA countries have been frequently considered together with the Arab countries in general, whether they are situated in West Asia or Africa. This reflects the regional perspective for considering issues in the Arab world.

6. Second, the interrelationship between issues identified by the Preparatory Committee was obvious. Thus, questions of trade and official development assistance (ODA) have been discussed even though they were not retained as topics for the Regional Meeting. This may explain that participants reiterated the same opinions and views about some issues discussed under each of the three topics.

7. Third and most importantly, the meeting was not confined to discussing the demands to be made on industrialized countries. In fact, it examined to greater lengths approaches and policies that should be adopted by ESCWA countries and the developing world in general.

I. Mobilization of domestic financial resources for development

8. Participants agreed that high growth results in higher rates of savings and hence in increased resources allocated to investment and to growth. In other words, high growth triggers a virtuous cycle of savings, investments and higher growth rates. Policy advice was, therefore, concerned with ensuring that high growth takes place. To this end, optimum utilization of different policy instruments was advocated.

9. In achieving strong growth performance, sound monetary and fiscal policies should be put in place so as to ensure a flexible management of exchange rates and credit, the objective being to counteract the cyclical patterns of trade and investment flows. In this respect, it is necessary to preserve the gains achieved by financial stabilization and to avoid slipping back to fiscal deficits, strains on foreign currency or inflationary pressures. In fact, stable economies are essential to promoting savings and investments of the household and business sectors, in addition to attracting foreign capital. It is recognized that capital flight from the ESCWA region, has been, for decades, a major consequence of the absence of a stable and predictable macroeconomic environment. It is acknowledged, nevertheless, that many Governments in the region have improved their macroeconomic variables over the last decade.

10. Efficient and effective institutions are a guarantee for the sustainability of improvements in the economic and social situations in any individual country. They also raise the level of responsiveness of the private sector to the interrelated fields of investment, employment and exports.

11. Sound, regulated and transparent capital markets are effective instruments for mobilizing domestic resources. Views diverged as to whether high or low interest rates are conducive to expansion in economic activity and, hence, to savings and investment.

12. In periods of reform, in order to foster growth and development, the role of the state is to deftly manipulate the institutional and incentive tools consistent with the market mechanism and the objective of a dynamic and innovative private sector. The state must also use its regulatory power to ensure competition and protect the interests of consumers and workers. To this end, ESCWA countries need to formulate competition policies in order to avoid monopoly practices, especially at a time when privatization reaches large utilities and infrastructure.

13. Global competition and economic integration, on the one hand, and the technological revolution in information and communications technology, on the other, allow for efficient private sector participation in investments in and production and management of most public goods, with important welfare gains for the final consumers of these goods and services.

14. The issue of whether the market is an ideology or a mechanism was debated. One view stressed that it is a mechanism for managing the economy, and therefore consists of a set of incentives and disincentives aimed at orienting the resources of a society in a given direction.

15. The issue of equity in maximizing the domestic financial resources that should be directed to development was raised. A question was asked about whether their source should be labour or rather capital. This was considered as closely related to the social orientation of development. Greater equality in the distribution of wealth and income was underscored. Some participants emphasized that it is correlated with growth in savings and the mobilization of domestic resources.

16. Closely linked to the former point was the discussion of the liberalization of labour markets. The reduction in the bargaining power of trade unions and workers associations vis-à-vis employers would result in the redistribution of national income in favour of capital. This could arouse sentiments of injustice and cause social and political disturbances greatly detrimental to the mobilization of resources and to the whole development process.

17. Also in relation to the same point, the advisability of indirect as opposed to direct taxes was raised. The former, considered by some as more efficient for collection purposes, were seen by others as unfair given their regressive character. The need for an

efficient tax administration and reasonable direct tax rates was stressed.

18. Participants agreed on the need for industrialized countries to facilitate the transfer of technology to developing countries, as this would raise productivity and thus result in increasing the level of domestic resources available for development.

19. With regard to the supply side of domestic resources, their maximization depends on three factors. First is the prioritization of basic education and training that result in a rapid decline in the age structure of the population and a concomitant expansion of manpower. In turn, this means higher income per capita and an increased ability to save. Second is the adoption of an export-oriented and labour-intensive growth strategy that allows all modern and traditional sectors, including microenterprises, to become integrated in the process of investment, trade and employment. Third is the implementation of an elaborate industrial policy that combines support for innovation and expansion in the dynamic skill and technology-intensive sectors, with incentives for the traditional labour-intensive sectors that induce them to upgrade skills and adopt better organization, management and marketing techniques.

20. Almost all countries in the region have introduced vast improvements in their investment environments in the past decades, by offering increased incentives, streamlining investment procedures and emphasizing the important role that the private sector can play in raising the levels of private investment. Incentives are fiscal as well as financial and technical. Fiscal incentives include reducing corporate income taxes, providing tax holidays, permitting losses incurred during periods of tax holidays to be written off against future profits, accelerating depreciation allowances, and reducing social security contributions and corporate income taxes charged against marketing and promotional expenditures. Financial incentives and technical assistance include providing subsidized loans, loan guarantees and subsidies to cover part of the capital, production or marketing costs of investment projects. They also involve guaranteeing export credits, providing venture capital for high-risk investments, subsidizing services, such as carrying out feasibility studies, the identification of sources of finance, the implementation and management of projects, and assisting in training and retraining.

21. In spite of the indicated improvements, some participants considered that the level of incentives was insufficient in ESCWA countries. Others stressed that, rather than being across-the-board, incentives should be targeted on specific projects or enterprises. They could also be given post facto, in other words after the activity has taken place successfully. Similarly, tax exemptions could be linked to the achievement of specific, previously established objectives.

22. Maximizing savings, investments, growth and development is correlated with the existence of an enabling institutional framework. An effective legal framework results in lower transaction costs by establishing unambiguous rules on property rights and providing mechanisms for contract enforcement and dispute settlement.

23. Efforts should be geared towards developing savings instruments, such as diversified banking services, postal savings systems and pension funds oriented towards sophisticated financial markets. The latter exist when financial institutions are solid and the range and availability of financial assets are wide. Central Bank regulations should not result in distorting the operation of financial markets and financial repression. However, despite the negative effects on savings, investment and growth of financial repression, financial liberalization should be regarded with caution. In fact, in the absence of institutional structures and adequate standards of accounting and auditing to prevent bad loans, financial distress can result from market imperfections and from competition between banks and other financial institutions.

24. The banking sector being the most important channel for mobilizing savings in the ESCWA countries, exceeding by far the financial intermediation role of banking sectors in industrialized countries, a robust regulatory framework that addresses its specific activities should be put in place. It is noteworthy that, as cross-country studies suggest, a healthy banking sector has beneficial effects on capital accumulation, productivity and economic growth.

25. Trade policy should contribute to growth and increased mobilized domestic resources. Despite recent reforms in the ESCWA region, tariff burdens remain high in several countries and non-tariff barriers pose significant difficulties for international and regional trade. High tariffs and administrative restraints also raise the inputs costs of production for export and

indirectly put pressure on the real exchange rate. This situation should be remedied. In addition, customs valuation and standardization should be simplified and international norms adopted. At the same time, it should be noted that the liberalization of international trade would result in reducing state revenues. This could reduce domestic resources available for development, at least for a certain period of time, and should thus be remedied by appropriate internal and international measures.

26. Also with regard to trade, it was pointed out that in a resource balance equation perspective, the savings gap equals the trade gap, hence the importance of the exchange rate as a tool affecting the savings rate. In the absence of equilibrium, resources could be mainly allocated to the production of non-tradables, thus enlarging the trade gap. A decline in the savings rate would ensue.

27. In the light of the above, for trade to generate resources required for development better coordination between the trade and investment regimes is necessary. This coordination should help ESCWA economies provide profitable domestic investment opportunities in tradable goods and services, and thus encourage the private sector to increasingly shift its activities away from inward-oriented investment, such as construction, real estate and protected manufacturing, towards exports and import substitution on a wide scale, as well as in favour of new dynamic products with high-growth prospects.

28. Also in relation with trade, participants stressed the need for industrialized countries to open their markets to goods and services exported by developing countries with a view to assisting them in increasing their foreign exchange revenues that could be allocated to development efforts.

29. The potential for the involvement of the private sector in investments in and privatization of infrastructure is large but not exploited. This involvement should be promoted. Apart from productivity gains and improved efficiency, it should boost government revenue and release public resources that can be directed to social sectors.

30. Institutional reform, incentives policies and restructuring programmes should also target small and microenterprises and entrepreneurs in the informal sector. This should contribute to realizing the goal of growth with equity, the parallel expansion of export orientation, together with viable import substitution and balance between technology-intensive and labour-intensive industrialization. Specific measures geared to this sector should include tailor-made programmes of technical extension, training and credit, with special emphasis on female employment.

31. When it comes to the demand side, or resource allocation, such sectors as utilities and infrastructure (roads, telephone and power generation), the social sector (health, education and social security), production sectors (agriculture, mining and manufacturing) and productive services (transport, trade and finance) compete for financing. The distribution between the public and private sectors of the responsibility for such financing and for ownership and operation is the issue at stake.

32. Apart from maintaining a high level of spending on social and human development, the challenge is to improve the returns from such spending. Better basic health services, education and focused vocational training are important for attracting private sector investments and participation in development financing.

II. Mobilization of international financial resources for development: foreign direct investment and other private flows

33. The significant resource gap that the Arab, including ESCWA countries, will experience in the coming decades was generally pointed out. Even though, in one view, international financial resources, including foreign direct investment (FDI), should be discouraged in view of their negative effects, the consensus was that these countries should aim to attract them. In this general perspective, international financial resources and the related changes they would bring about should create a virtuous cycle of development in the region.

34. It was stressed that FDI would contribute to the integration of the region in the world economy. In this regard, the correlation between FDI and trade flows was underscored.

35. The small share of the region, at present, in international financial resources, including FDI, was noted. The underdeveloped state of its capital markets

and regulatory environment were mentioned as an explanation for the region's deprivation of its potential share of these resources. The concentration of flows in a few countries and essentially in one sector, oil, was also noted.

36. The openness of the region to the world economy should help it increase its share of FDI. In order to achieve this openness, an opportune policy framework that creates an appropriate environment should be put in place. It was stressed, however, that the appropriate environment is the same, whether resources to be attracted are domestic or international.

37. Gains accomplished in financial stabilization in the region should be preserved. The importance of a sound macroeconomic framework cannot be overemphasized.

38. Skilled human resources are a key factor in attracting international resources. Hence, raising the educational level of labour forces should be one important aim of national policies. In one view, policies should seek to transform comparative advantage in the region towards skill-based goods.

39. Free-trade agreements with industrialized partners, such as the European Union (EU), and membership in the World Trade Organization (WTO) would expand markets for goods and services produced in the region, and should therefore help in attracting FDI and other international resources to the region.

40. In respect of free-trade agreements, it was emphasized, however, that industrialized countries should refrain from protectionism under different disguises. In other words, they should open their markets to the exports of developing countries, thus allowing them to benefit from sectors where they enjoy a comparative advantage. The importance of agricultural products and textiles in the exports of developing countries, including ESCWA countries, was particularly stressed.

41. With regard to WTO, more equitable agreements that take account of the development needs of developing countries are necessary. This applies to future agreements as well as to already concluded ones. In the latter case, consideration should be given to introducing needed amendments.

42. Financial sector reforms, including in the banking sector and the capital market, are important for attracting international resources.

43. Arab multinationals could be an important tool for promoting FDI among ESCWA countries. The emergence of such multinationals and their enhancement could benefit from the association with established multinationals active in the global economy. Industrialized countries should help in this process by making their markets accessible to goods and services produced by Arab multinationals.

44. FDI should contribute to the transfer of technology to ESCWA countries. However, this has not been necessarily the case so far. To illustrate the latter observation, it was pointed out that after nearly 70 years of FDI in the oil sector, the related technology has not been internalized.

45. To promote the transfer of technology, international measures agreed upon by exporting and importing countries should be adopted. Such measures include improved accessibility to markets of industrialized countries for goods and services produced with the transferred technology.

46. Good corporate governance was stressed as an important factor for attracting FDI.

47. It was underscored that international financial resources, including FDI, should not be confined to achieving economic growth. They should also be used to meet the needs of social development. This is particularly important at a time when such areas as the health sector suffer from the impact of economic reforms and trade liberalization pursuant to WTO agreements.

48. ODA is a form of international financial resource. Industrialized countries are called upon to honour their commitment to the target of 0.7 per cent of gross domestic product (GDP) as ODA to developing countries. They are also invited, in the distribution of their ODA, to give a preferential treatment to developing countries that are not favoured by the transfer of international private resources, including FDI.

III. Addressing systemic issues: enhancing the coherence and consistency of the international monetary, financial and trading systems in support of development

49. The Arab region, including the ESCWA countries, has been spared the ravages of recent financial crises but has also failed to benefit fully from the spreading trend of market liberalization, globalization and world economic integration.

50. It was mentioned that current efforts to reform the international financial system centre on two overriding themes. First is enhanced surveillance and crisis prevention, including better assessment of financial vulnerabilities, the wider use of standards and codes in monetary and fiscal management, the encouragement of more flexible exchange rate regimes, greater transparency, improvement of the quality of data on key indicators and targeted technical assistance.

51. The second theme is crisis resolution and management, through a rationalization of the role of the International Monetary Fund (IMF) by focusing on its core functions and simplifying its facilities structure, streamlining conditionality, greater transparency in the Fund's own operations and stronger safeguards on the use of its resources, wider involvement of stakeholders in the design of adjustment programmes and closer involvement of the private sector in crisis resolution.

52. Continued work on the former two themes and related initiatives should complement and enhance the success of the attention focused by the international financial institutions (IFIs) on the problems of the poorer countries through the poverty reduction and growth facility (PRGF) and heavily indebted poor countries (HIPC) initiatives.

53. Along with other groups of developing countries, the Arab region is marginalized in the discussions on the reform of the international financial system. Despite the current surge of the region on account of recent increases in oil prices, its role in shaping the new financial architecture is likely to remain limited.

54. As the international financial system enhances its surveillance role of member States' policies, the ESCWA countries are required to provide information on their financial sectors, fiscal management and monetary and banking developments. This will make for greater transparency and accountability, thus creating the conditions for sound domestic financial systems.

55. In one view, in order for the region to take part in current efforts to transform the international financial system, the ESCWA countries need to reinforce their growth prospects by improving their international competitiveness and achieving greater interaction with the industrialized and the faster growing regions of the world. This is a condition sine qua non for the region to realistically aspire to enhance its influence and become a more effective participant in the global financial and monetary order.

56. To meet this condition, countries in the region should undertake reform in different areas. First is reform of the state, which must address its size as well as its role. Second, the ESCWA countries, according to this same view, should implement a comprehensive programme of economic liberalization that includes dismantling price distortions, expanding the opportunities for the operation of the markets, a more open trading system, a more flexible exchange rate regime and a macroeconomic policy aiming at price stability. The shift in policy needs to be supported by modern efficient and competent institutions, including an autonomous bureaucracy, an independent judicial system, strong regulatory institutions, accountability and good governance in the business sector. In this view, these reforms can be expected to release resources and bring about their allocation in such a manner as to raise growth on a sustainable basis. In turn, this would enable Governments to increase spending on priority areas for economic and social development.

57. Another approach emphasized that the increased frequency of international currency and financial market crises, including in countries with a record of good governance and macroeconomic discipline, suggests that financial instability is global and systemic. Accordingly, this means that national policy efforts will not be sufficient to deal with the problem, and that there is a need to establish appropriate institutions and mechanisms at the global level. Analysis and actions advocated by this approach are reviewed below. The ESCWA countries have not necessarily experienced the situations dealt with in this analysis. However, they may face them in the future. In addition, irrespective of whether they will experience

them or not, they should have their word in this regard in order to effectively participate in the governance of the international financial system.

58. Greater transparency and disclosure of information are required from the IFIs, particularly IMF, as much as they are from public sectors and financial markets. To improve its transparency, it has been suggested that the prescriptions of IMF be subjected to independent review, for instance by a commission constituted by the United Nations.

59. Greater transparency and disclosure of information are also needed from banks and other financial firms, as well as from highly leveraged institutions and offshore markets. While they are not sufficient to prevent financial crises, disclosure and transparency are necessary conditions for an improved international financial architecture.

60. The current practice in financial regulation and supervision is for the Bank of International Settlements (BIS) to formulate standards expected to be applied by national authorities, rather than to establish a global regulatory agency. There are, however, three sets of problems with this procedure. First, BIS standards do not properly account for risks in international lending. Second, BIS standards are designed to protect the international banking system, not the debtor developing countries. Third, there are potential problems for developing countries in this approach, which applies indiscriminately to all countries irrespective of their levels of development and different institutions. It was advocated that the adoption of such standards should be voluntary and that it should recognize variations among countries. Moreover, the adherence to such standards should not become part of the IMF conditionality.

61. In addition to supervisory reform and transparency, capital controls are increasingly seen as essential for greater stability. There is a broad-based agreement that the boom-bust cycle in private capital flows needs to be moderated. Controlling short-term, liquid capital inflows through market-based measures, such as taxes or reserve requirements, can attain this goal. Control on inflows would reduce the likelihood of a rapid exit. Should a crisis occur, temporary control on outflows could also be very effective.

62. Developing countries, at present, are increasingly advised to choose either freely floating exchange rate policies or to lock in their currencies to one of the major currencies, often the United States dollar. However, differences among pegged, floating and fixed regimes lie less in their ability to prevent damage to the real economy than in the way damage is inflicted. There now is a growing consensus that better management of exchange rates in developing countries requires targeting real exchange rates in combination with the control and regulation of destabilizing capital flows. This is a viable alternative to free floating or to completely surrendering monetary authority to a foreign central bank. Doubt was expressed over the ability of ESCWA and other developing countries to adopt and manage a free-flowing regime. In any case, the adoption of a particular exchange rate regime should not be part of the IMF conditionality for access to international liquidity.

63. In view of the growing size and integration of financial markets, the prevention of a crisis is a concern for many countries and not only for the one immediately affected. Global surveillance of national policies is, therefore, called for. Failure of the IMF surveillance so far is due to serious shortcomings in the existing governance of IMF, particularly its control by industrialized countries. The need for strengthening IMF surveillance of financial sector issues and capital flows has been recognized anew by its Interim Committee in April 1998. A major factor in the failure of IMF surveillance procedures so far has been their unbalanced nature that gives too little recognition to the disproportionately large global impact of monetary policies of major industrialized countries. In fact, financial crises in emerging countries are often connected to major shifts in monetary and exchange rate policies of industrialized countries. Even though these shifts affect their developmental policies, developing countries lack mechanisms under the existing system to redress their negative impact.

64. In the light of the above, it is a fact that governance in macroeconomic and financial issues lags behind that for international trade where mechanisms are part of the WTO regime. To perform needed functions effectively, in addition to the surveillance procedures, it is necessary to reform the governance of the IFIs, including their voting structures and decision-making processes, with a view to bringing about greater participation of developing countries.

65. The practice so far has been to provide assistance coordinated by IMF, to countries facing capital account problems, after the collapse of currencies, in the form

of bail-outs designed to meet the demand of creditors, maintain capital account convertibility and prevent default. Such assistance has been associated with policy conditionality that went at times beyond macroeconomic adjustment. In other words, efforts have aimed at sparing hazard for international lenders and investors by putting the burden on debtors. To redress this situation, in addition to the role of IMF in providing current account financing, ensuring systemic stability also requires contingency financing to countries experiencing payment difficulties linked to the capital account. Issuing reversible special drawing rights (SDRs) for use in the provision of international liquidity could be considered. The terms under which IMF would play the role of lender of last resort should be worked out.

66. In order to complement efforts of IMF and to undertake more adapted action, the idea of establishing or reinforcing and shoring up existing regional monetary institutions was raised. Related to this, coordination of negotiating positions of ESCWA countries in international forums was advocated.

67. To face up to financial crises, funds required for bail-outs have been continuously increasing. In order to secure them, "involving" or "bailing-in" the private sector has been contemplated. Creditors should share in bearing burdens and be made responsible for their actions. Orderly debt workouts, associated with standstill on servicing, could be considered. They may include reorganization of assets and liabilities of the debtor, including extension of maturities, and, where needed, debt-equity conversion and debt write-off. Involuntary mechanisms have been resisted, but it should be emphasized that the need for mandatory provisions has arisen precisely because voluntary approaches have not worked in stemming debt runs. Fearing that mandated automatic triggers could reduce their access to financial markets, developing countries have insisted that they first be introduced in sovereign bonds of industrialized countries.

Annex

Organization of work

Date/session		Agenda item/programme
23 November 2000		
Inaugural session	*Item 1*	Welcoming address: Hazem El-Beblawi, Executive Secretary of ESCWA
		Address by the Patron of the meeting: Prime Minister Rafik Hariri or his representative
	Item 2	Election of the President of the meeting
	Item 3	Adoption of the agenda and the organization of work
	Item 4	Election of the Vice-President of the meeting
Panel I	*Item 5*	"Mobilization of domestic financial resources for development"
		Presentation of a paper entitled "Mobilizing domestic financial resources for development", Heba Handoussa, Economic Research Forum for the Arab countries, the Islamic Republic of Iran and Turkey
		Discussant: Kamal Hamdan, Consultation and Research Institute
		General discussion
Panel II	*Item 6*	"Mobilizing international resources for development: foreign direct investment and other private flows"
		Presentation of a paper entitled "Mobilizing capital for Arab economic development, with special reference to the role of FDI", Ali Sadik and Ali. A. Bolbol, Arab Monetary Fund
		Discussant: Zeki Fattah, Economic and Social Commission for Western Asia
		General discussion
24 November 2000		
Panel III	*Item 7*	"Addressing systemic issues: enhancing the coherence and consistency of the international monetary, financial and trading systems in support of development"
		Presentation of a paper entitled "The reform of the international financial system and the Arab region", George T. Abed, International Monetary Fund
		Discussant: Yilmaz Akyüz, United Nations Conference on Trade and Development
		General discussion
Closing session	*Items 8, 9, and 10*	Overview of the discussions: Hazem El-Beblawi, Executive Secretary of ESCWA
		General debate
		Closing of the meeting