

THE WAY FORWARD



Lead Agency

- a) IMF
- b) UN/DESA

Cooperating Agencies

All Agencies

MONITORING AND ANALYSIS

- a) Strengthening macroeconomic and financial surveillance and implementing an effective economic early warning system;*
- b) Urgently establish a UN system-wide vulnerability monitoring and alert mechanism to track developments and report on the political, economic, social and environmental dimensions of the crisis.*

There is an urgent need to take swift and synchronized actions to improve existing global monitoring and reporting systems using economic, financial and sustainability indicators, based on but not limited to official statistics, which will: (i) provide insight in vulnerabilities in the global economy at large (including financial sectors) and serve that way as early warning systems; (ii) identify which countries and population groups within these are most at risk to swings in the global economy; (iii) monitor and provide insight into how stimulus packages are being spent and financed and into the distributional effects of these; (iv) signal effectiveness of measures taken and provide information to facilitate decision-making to correct course when needed; and (v) set new micro and macro-prudential standards for improved monitoring of the stability of the financial systems in collaboration with the International Accounting Standards Board (IASB) and regulatory agencies.

The UN system, in collaboration with Member States and relevant international agencies, could lead the coordination and development of such systems that should contribute to improved accountability of global public action. ■

55. A coherent response by the multilateral system to the crisis is an ambitious task. CEB is well placed to mobilize such a response and make it “a source of strength for the system and each of its members, using it as an instrument for the highest level expression of system-wide coherence” as agreed in the CEB review. CEB encompasses the collective capacity of the system and can play a catalytic role in coherently addressing concerted cross-sectoral responses to the crisis as a high and urgent priority of multilateral cooperation.

56. The world economy is in a state of great uncertainty and many did not see this crisis coming. It is clear that existing early warning systems have been insufficient. The global economy will need better surveillance and monitoring mechanisms to identify economic and financial threats on the horizon. In addition we will need to be able to better monitor the human impact of the crisis, so as to alert the world of increasing and deepening vulnerabilities.

57. The collective knowledge and statistical capacity of the system needs to be pulled together for the monitoring and analysis of the evolution of the crisis and of measures being adopted in the key policy areas.



Lead Agencies

**ITU
UNIDO
WIPO**

Cooperating Agencies

**All interested
Agencies**

TECHNOLOGY AND INNOVATION

Innovating the way out of the financial and economic crisis.

Human kind has always turned to technology for solutions in the face of global threats and challenges. In the present crisis, technology, innovation and creativity will be critical in creating opportunities for economic renewal leading to a more innovative, eco friendly and sustainable world. So, as the global economy enters what appears to be a prolonged recession, one important way out of the crisis is to encourage the development of innovative new products and services that can yield, inter alia, new jobs and economic growth. A new initiative should be launched to address the global challenges exacerbated by the financial and economic crisis by, inter alia, developing technological infrastructure to facilitate the promotion and access to innovation for sustainable development. ■

58. The crisis, multifaceted and severe as it is, presents a painful but excellent opportunity to put the capacity and commitment of the system to the test. It compels multilateral institutions and multilateralism as a whole, to tackle development challenges more creatively and effectively. More recourse to South-South cooperation can support and complement international aid. Knowledge sharing and capacity building become crucial. Emphasis on innovation and better spread and use of science and technology as well as ICTs may open up new avenues to address the hardship of the crisis. A global engagement in this regard is essential for effective and coherent policy formulation and operational action at country level.

59. The contributions of all CEB organizations to the preparation of this overview paper on the crisis and the identification and prioritization of concrete initiatives for joint action as agreed by CEB show unanimous agreement and conviction that policy coordination across the system is possible and an absolute necessity.

60. Each of the initiatives will be further conceptualized and developed under the commitment of one or two lead agencies with recognized expertise in the area, who have volunteered to take up the responsibility of guiding the work of a group of participating agencies most directly concerned. As approved by CEB the respective lead agencies and cooperating agencies will establish a framework for action in each area.

61. The policy implications should be useful for adaptations to regional and country level. On this basis, HLCP and UNDG will work together and establish a task team as proposed by UNDP, to translate UN system -wide “crisis response” measures into an action plan to ensure coherence, coordination and joint implementation at country level. This should lead to cooperative action as well as more precise policy guidance for Resident Coordinators and agency representatives in countries.

62. As demonstrated by the contributions made to this paper, practically all member organizations of CEB are analyzing the issues and deploying intense activity in a wide range of dimensions of the crisis. The effort required is therefore to connect the dots in the various areas, scale up responses, review the implications and impact of actions on one another and maximize policy synergies. Broadening and sharing the knowledge and reconsidering the various policy approaches in the light of an integrated and coordinated response to the crisis will allow for the development of more relevant and effective policy tools and better impact and results from multilateral action.

63. Time will be of the essence. The crisis is unfolding and aggravating daily. Any significant and useful response will have to be extremely rapid.

64. The commitment of the Executive Heads of all UN agencies, funds and programmes, the World Bank, the IMF, the WTO, to work intensively and urgently on this matter is eloquently expressed in the Communiqué issued by the CEB.