

ACP-EU JOINT PARLIAMENTARY ASSEMBLY

Committee on Political Affairs

24.7.2009

DRAFT REPORT

on Global Governance and the Reform of International Organisations

Co-rapporteurs: Donald Ramotar (Guyana) and Miguel Angel Martínez Martínez

PART A: DRAFT MOTION FOR A RESOLUTION

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PROCEDURAL PAGE

At its meeting of, the Bureau of the ACP-EU Joint Parliamentary Assembly authorised its Committee on Political Affairs to draw up a report, pursuant to Rule 2(8) of its Rules of Procedure, on Global Governance and the Reform of International Organisations.

At its meeting of, the Committee on Political Affairs appointed Mr Donald Ramotar (Guyana) and Miguel Angel Martínez Martínez as co-rapporteurs.

The Committee on Political Affairs considered the draft report at its meetings of ...

At the latter meeting, it adopted the accompanying draft motion for a resolution ...

The following were present for the vote: ...

The resolution was tabled for adoption on ...

MOTION FOR A RESOLUTION on Global governance and the reform of international institutions

The ACP-EU Joint Parliamentary Assembly,

- meeting in Luanda (Angola) from 28 November to 3 December 2009,
 - having regard to Article 17(1) of its Rules of Procedure,
 - having regard to the outcome of the April 2009 London G20,
 - having regard to the Communication by the European Commission of April 2009 on Supporting developing countries in coping with the crisis,
 - having regard to the 'Larosière report' of February 2009 on financial supervision in the EU,
 - having regard to the World Bank's June 2009 report on Global Development Finance 2009, Charting a Global Recovery,
 - having regard to the conclusions of the UN conference on the world financial and economic crisis and its impact on development, held in New York on 24-26 June 2009,
 - having regard to the report by the Committee on Political Affairs (ACP-EU/XXX),
- A. whereas the world is currently facing financial, economic, food, energy and environmental crises of unprecedented proportions,
- B. whereas the origins of these crises lie in industrialised nations and yet they hit developing countries hardest,
- C. whereas the world's global governance architecture, set up in a post-war, colonial era, still mirrors the geopolitical balance of the last century and no longer matches the realities of a globalised planet,
- D. whereas we need to overhaul our political and financial global institutions to make them more effective, more transparent, more representative and more legitimate,
- E. whereas the worst excesses of deregulation, neoliberal capitalism and free market fundamentalism have conspired to wreck the world's financial system, destroy millions of jobs and increase poverty,
- F. whereas the state is responsible for promoting stability, sustainable, pro-poor growth and ensure that wealth creation benefits the many and not the few and therefore needs to regulate and supervise the markets and play a redistributive role in the economy,

- G. whereas certain nations' rejection of multilateralism in recent years has led to confrontation, conflict and intercultural strife,
- H. whereas we must react to halt climate change in order to prevent devastating environmental damage and its harsh economic and social consequences,
- I. whereas governments from rich nations have found trillions to bail out financial institutions but some of them are backtracking on their MDG commitments,
- J. whereas ACP States are severely underrepresented in institutions such as the World Bank, IMF or the UN security council,
- K. whereas women are also underrepresented in governance structures,
- L. whereas outflows from developing countries in the form of illicit capital flight, to a large extent facilitated by tax havens and banking secrecy, have been estimated at €350-600bn a year,
- M. whereas OECD countries' aid to poor farmers amounts to 1% of their agricultural subsidies,
- N. whereas one of the prime tasks of the World Bank and the IMF is to reduce poverty,
- O. whereas the World Bank and the IMF continue to apply ideologically-based economic and policy conditionality to their loans,
- P. whereas the OECD DAC is a forum of donor governments, while the new Development Cooperation Forum comes under the UN umbrella and offers developing countries voice and ownership,
- Q. whereas it is urgent and essential to rebuild social trust in our global governance architecture,

Global governance — a louder voice for developing nations

1. Calls on the international community to make global institutions more representative and inclusive, allowing developing nations to be more influential;
2. Asks the G20 to give G77 members a seat at the negotiating table;
3. Insists on fairer voting rights for developing and emerging economies on the IMF executive board and the World Bank board of governors; calls, therefore, for a new double-majority voting system based on one-member-one vote, as well as on economic weight;
4. Calls for an end to the US right of veto at the IMF and World Bank;

5. Insists on open, transparent and merit-based processes for appointing the senior management of all international financial institutions;
6. Urges the UN Security Council to enlarge its membership;

Economic governance — learning the lessons of the recent past

7. Asks the international community to ensure a tighter and more transparent regulatory framework for the world's financial markets;
8. Strongly supports overhauling the IMF so it can play an enhanced surveillance and supervision role and issue early warnings in the event of global market imbalances or macroeconomic risks;
9. Invites all relevant actors to ensure better coordination between the Bretton Woods institutions, the G20 and regional development banks;
10. Urges G20 members, in particular EU Member States, to take speedy action to eradicate tax havens and combat banking secrecy, stepping up international cooperation, automatic information exchange, country-by-country reporting standards for multinationals and capacity building in countries affected by capital flight;
11. Insists the global financial institutions put an end to economic or political conditionality attached to their loans;

Multilateralism — not a zero-sum game

12. Calls on all States wholeheartedly to support multilateralism and the UN system;
13. Recommends that the UN Development Cooperation Forum is taken into account, together with the OECD DAC, as the two high-ranking forums for development cooperation and for analysing and monitoring global aid trends, including the aid effectiveness agenda;
14. Welcomes the fact that the US has decided to reengage with the U.N. Human Rights Council and has at last taken up its seat; calls on the EU, ACP and other partners to ensure this Council to defend all victims of human rights abuses;

Aid and trade

15. Salutes the G20 commitments of \$1.1 trillion to kick-start the world economy but regrets that only a fraction is earmarked for the poorest countries; warns against crippling developing countries with sizeable new debt;
16. Calls on EU Member States to live up to their MDG aid commitments;

17. Recognises the importance of trade but stresses that free-markets alone do not guarantee an end to poverty;
18. Urges all WTO members to work towards an equitable outcome for the Doha Development Round which curtails protectionism but reflects the different capacities and levels of development that exist between stronger and weaker economies, and allows ACP States' to protect their most vulnerable industries;
19. Asks the EU, in the context of the economic partnership agreements, to respect those ACP countries that decide not to move to a full EPA or choose to renegotiate controversial areas of interim EPAs; insists on a full role for the JPA in all planned EPA parliamentary follow-up structures;
20. Calls on the EU to reduce significantly its agricultural subsidies and eliminate all agricultural export subsidies;
21. Asks the EU to keep its aid-for-trade commitments and to continue to help bolster ACP countries' trade capacities;

Social and environmental issues

22. Calls on the international community to implement high standards of social and environmental protection and workers' rights, including the 'decent work' agenda, and to support developing countries in applying these standards;
23. Exhorts the UN to mainstream gender equality and women's empowerment;
24. Invites the UN to upgrade ECOSOC, with a view to promoting lasting solutions for economic, social, employment, cultural and health issues;
25. Calls on the World Bank to attach higher priority to development issues, climate change and promotion of health and education;
26. Urges all governments at the December Copenhagen climate summit to strike an ambitious deal sharing the burden equitably between industrialised and developing nations;
27. Calls on the EU to invest massively in research, education and the environment, and increase funding and technology transfer for developing countries;

A role for parliaments and civil society

28. Asks all States to embrace greater parliamentary scrutiny to make governments' action more transparent, democratic, accountable and effective; calls on the UN and WTO to attach higher priority to parliamentary input;
29. Calls on policy makers, particularly in ACP countries, to engage with civil society and to provide CSOs with basic resources to operate;

30. Instructs its Co-Presidents to forward this resolution to the ACP-EU Council of Ministers, the Commission of the African Union, the Pan-African Parliament, as well as to national and regional parliaments in ACP States, the European Commission, the UN and regional organisations, the World Bank, the IMF, the WTO and the EU and African Union Presidencies.