

What is the Monterrey Consensus?

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The Monterrey Consensus emerged out of a meeting of the International Conference on Financing for Development in Monterrey, Mexico in March 2002. With more than 50 heads of state in attendance, along with representatives the World Bank, the International Monetary Fund (IMF) and the World Trade Organisation (WTO) a new partnership for global development was conceived. The Monterrey Consensus is described by the UN as a 'landmark framework for global development partnership in which the developed and developing countries agreed take joint actions for poverty reduction'ⁱ.

The Monterrey Consensus is distinguished by its recognition of both the need for developing countries to take responsibility for their own poverty reduction and the necessity for rich nations to support this endeavour with more open trade and increased financial aid.

The UN highlights five distinctive elements of the consensusⁱⁱ.

First, the consensus is a commitment to a broad-based development agenda that takes into account poverty reduction and environmental sustainability as well as economic growth.

Second, the consensus makes a distinction between developing countries that rely on official development assistance (ODA) and those that already have adequate infrastructure and human capital. ODA is recognised as a critical component of development for countries with the least capacity to attract investment.

Third, trade is emphasised as the 'critical engine of growth'. Poor countries need both improved market access and financial investment to enhance their potential for increased trade.

Fourth, the consensus highlights certain regions of the world that require particular attention. For many of the least developed countries in Africa, small island developing states and landlocked developing countries ODA is essential to achieving the Millennium Development Goals.

Fifth, it is recognised that a substantial increase in aid is necessary if developing countries are to achieve the goals of the UN Millennium Declaration and that donor countries should be committed to the target of allocating 0.7 percent of gross national income (GNI) to ODA.

Though many of the key commitments of the Monterrey Consensus remain unfulfilled, it remains a valuable framework for international action on poverty reduction and underpins much of the current and on-going discussions about ODA and the MDGs.

The Monterrey Consensus is available in full at:

<http://www.un.org/esa/ffd/aconf198-11.pdf>

This article does not reflect the views of any organization described. It is intended to provide information and provoke discussion, challenge assumptions and call to account institutions claiming to act on the behalf of people living with HIV/AIDS and other development-related health challenges.

More information about the mission and guiding principles of Health and Development Networks (HDN) can be found here: www.hdnet.org

ⁱ Investing in Development: A practical Plan to Achieve the Millennium Development Goals
www.unmillenniumproject.org/reports/fullreport.htm

ⁱⁱ *ibid.*