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Concluding Remarks by **HORST KÖHLER**,
Chairman of the Executive Board and
Managing Director of the International Monetary Fund,
at the Closing Joint Session

**Closing Remarks by Horst Kohler
Chairman of the Executive Board and
Managing Director of the International Monetary Fund**

**At the Annual Meetings of the Board of Governors of the Fund
Dubai, September 24, 2003**

1. Mr. Chairman, Governors, honored guests, we come to the end of a very fruitful set of meetings. I am grateful to our hosts, the Government of the United Arab Emirates and the authorities of Dubai, for their superb organization and for providing these magnificent facilities. My thanks also to all the hard-working and dedicated staff, local and Washington-based, for making these meetings possible. And I would also like to thank Chairman Kaspar Villiger for his able chairmanship.
2. These meetings have underscored that the multilateral spirit of cooperation is intact and strong. After the disappointment of Cancún, this is for me the most important outcome of this meeting. I sensed a unanimous recognition that we are all in one boat and must work together. As His Highness Sheikh Hamdan bin Rashid Al Maktoum said in his welcome address “It is only by working together and cooperating with one another that the nations of the world can achieve the goals that they cannot realize separately”.
3. I was encouraged by the sense shared by most of you that the world economy has turned the corner and that the prospects for a steady and strengthening recovery have improved. This is a welcome development since we met last year. At the same time, many of you emphasized that risks remain, requiring vigilance and determination on behalf of policy makers everywhere. I was particularly happy to hear so many of you underscore the importance of an ambitious implementation of structural reforms to ensure a return to sustained global growth.
4. Strengthened and effective IMF surveillance is essential to enhancing crisis prevention and promoting stability and sustained global growth. I thank you for your support of our reforms to bolster further our surveillance in recent years – and I believe that our joint efforts have already resulted in a more resilient international financial system. But there remains more to do. Many of you urged us to sharpen our surveillance of systemically important countries and the linkages between countries. And I am pleased to note your support for evenhandedness in surveillance, which I believe is critical to our work. I also took note of Governor Camacho for the Philippines' remark that we should be less preachers and be more problem solvers. I agree, provided that it is understood that candor promotes problem solving.
5. I was also encouraged by the widespread support expressed by many of you for the IMF to remain fully engaged with our low-income members and in our work on post-conflict countries. With the PRSP process, we have an agreed framework to make progress toward

the Millennium Development Goals, which we all share. But we also know that in the PRSP process we inevitably sometimes encounter conflicting objectives. Here we must strive for balance, realizing that often we will be faced by difficult choices. I also agree with many of you who reminded us that more financing for development is needed if achieving the MDGs is to be within reach. The Governor for Bangladesh, Saifur Rahman, put it well when he said “Good governance, sound macro policies and people’s participation are essential for generating development. They are not, however, enough. Developing countries need huge investment for development in physical infrastructure and human resources.”

6. I agree with him that more needs to be done to mobilize the significant resources that are needed, including technical assistance—as emphasized by Governor Khirbash and other Governors. I also heard your views on the need for more and better coordination among donors and multilateral institutions, and I believe that these are important issues on which we can all do better. For its part, the IMF is fully committed to participate in the Rome harmonization process.

7. We all agreed that the breakdown of the trade talks in Cancún is a setback and a disappointment. I also believe we all felt that it should be a wake-up call for the international community to return to the negotiating table as soon as possible, but with stronger political will to overcome existing blockages. And I am grateful for the support many of you expressed for the IMF’s commitment to work on ways to provide targeted financial support to countries to cushion possible temporary adverse effects from implementing their commitments under the Doha Round.

8. Finally, I heard from many of you that the issue of more voice and representation of developing countries in the Fund and Bank is more relevant than ever. I hope that all shareholders have listened carefully to you and will review their positions. I personally believe that a consensus is possible, including on the question of an increase in basic votes.

9. Allow me also to emphasize that I take encouragement from these meetings: there is a recognition that the World Bank and the IMF are pulling in the same direction and are cooperating closely. Jim Wolfensohn’s excellent speech demonstrated his leadership in development policy, and I have no hesitation that the IMF should be part of this effort. I am encouraged that we all agree: we have a policy framework, and despite all the problems in the world and the challenges we face, we are making progress.

10. And the United Arab Emirates and Dubai are an inspiring example for all of us. It has seized its opportunities, with an outward-looking policy, with self-confidence, with self-responsibility, and with a preparedness to work with the international community.

11. In closing, Mr. Chairman and Governors, allow me to thank Governors for enriching these meetings with their presence and their views. I look forward to making progress on all of the issues we discussed at our meetings next year in Washington under the chairmanship of Singapore.

Thank you.