other region, the poverty situation has deteriorated. Even in those regions of Asia that have done relatively better, many pockets remain stagnant or are worse off in absolute terms.

Trade was underlined as the engine of growth in the Monterrey Consensus. It is of utmost importance to improve market access for the developing countries. This particularly requires the elimination of trade-distorting subsidies and the reduction of support measures for agriculture in developed countries. As for financial cooperation, it is crystal clear that Official Development Assistance (ODA) should be increased markedly from current levels in order to stand a chance to achieve the Millennium Development Goals by 2015.

The fact is, development needs financing, investment and, most important of all, opportunities for trade, none of which, unfortunately, are much forthcoming to most of the developing regions. ECLAC estimates that net transfer of resources for that region will be negative for the fifth year running. In Africa, ECA data show that roughly 80 cents on every dollar that flowed into Africa flowed back as capital flights in the same year—suggesting widespread capital flight fuelled by debt. West Asia's share of FDI in 2002 accounted for a meagre percentage of the world's total, and it was channelled to a limited number of sectors, namely oil, gas and tourism. National savings, foreign investment as well as the growth rate in general have decreased due to conflict, war and political instability in the region. Moreover, all the developing regions have been experiencing ever higher levels of public debt—signalling significantly less manoeuvrability in terms of public policy.

There are, however, some new positive initiatives that are forthcoming at the regional and subregional levels. In June 2003, 11 Asia Pacific central banks agreed to pool $1 billion of their foreign exchange reserves to establish the Asian Bond Fund. Since then, their finance ministers are busy planning for development of local currency bond markets to harness the vast savings for investment of that region. In Africa, under the framework of NEPAD, the efforts by the countries to create an enabling atmosphere for sustainable development have received further impetus. Several of the African countries have also successfully initiated capital market development. Latin America has been a pioneer in making successful experiments with innovative ways of dealing with the pension problem that looms large in most of our countries, developed and developing alike. Arab banks and development funds have increased their financing of infrastructural and mega-projects in the ESCWA region.

In all the regions and subregions, economic integration movements are gaining new momentum. There is wider acknowledgement that a system that relies on networks of global