



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY H.E. AMR ABOULATTA, AMBASSADOR AND PERMANENT REPRESENTATIVE OF EGYPT TO THE UNITED NATIONS, CHAIR OF THE G77, AT THE BRIEFING BY THE SECRETARY-GENERAL ON THE REPOSITIONING OF THE UN DEVELOPMENT SYSTEM TO THE INFORMAL MEETING OF THE ECONOMIC AND SOCIAL COUNCIL (New York, 22 January 2018)**

Madam President,  
Mr. Secretary-General,

1. I have the honor to deliver this statement on behalf of the Group of 77 and China.
2. At the outset, the Group would like to thank the Secretary-General and his team for the Report entitled "Repositioning the United Nations development system to deliver on the 2030 Agenda," as the second report mandated by the QCPR resolution of December 2016. We also thank him, as well as the Deputy Secretary-General for the series of briefings and outreach to member states that they undertook during the second half of 2017 and since the issuance of the first report in June 2017.

Madame President,

3. In November 2017, the Group of 77 and China presented a Position Paper on the first Report of June 2017. The Position Paper set principles underlining that improvement to the UNDS should serve to better adapt it to support countries, particularly developing countries, in the implementation of the 2030 Agenda and their national plans and strategies. National ownership and leadership must be translated concretely into the operational dynamics of the reformed UNDS. Different national realities, capacities, and levels of development, and national policies and priorities should be taken into account, including the principle of common but differentiated responsibilities (CBDR) between developed and developing countries. The UNDS should retain development as its nature and identity.

Mr. Secretary-General,

4. The Group of 77 and China would like to express at this stage, our appreciation for the quality of the Report, which we consider a good basis for discussion in our continuing efforts to reform the UNDS. We note that the report contains information on how the system and entities related to the development pillar have worked internally. It sets a good precedent that helps transparency and allows for a better view of the areas where it is possible to improve efficiency. We encourage the Secretary General to continue this practice.
5. As a high-quality document, the report naturally provides food for thought and reflection, as well as raising important questions for further discussion on its proposed seven key areas of transformation. While the Group will elaborate further on those in the coming period, nonetheless, we would like to make the following brief comments:
6. First, on the system-wide Strategic Document: the Group reiterates that countries of operation should develop their own plans as to how to maximize the contribution by the UN development system in support of their own plans. Likewise, we note an insufficient emphasis on the role of the UNDS in supporting country's efforts to mobilize sufficient means of implementation. The UNDS

should provide support for mobilizing MOIs, including finance and capacity building to support economic goals, such as sustained and inclusive economic growth, industrial development and infrastructure, as key elements of structural transformation for economic diversification and poverty eradication. The Group also seeks clarity on the reference in the Report to higher income countries as necessitating different types of engagement.

7. Second, on the UN country teams: the Group believes that the UNDAF and similar documents should be the determining yardstick for country presence. In so doing, caution should be exercised that quantitative measures on the feasibility of establishing country presence as a function of the ratio of overhead costs must not disadvantage LDCs, for example. Moreover, it is the expectation of the Group that the UNDS should be able to be present in every developing country to address its development needs. We call for the UNDS to prioritize economic structural transformation in the programming and work of the UN Country Teams.

8. Third, on the Resident Coordinator system: The Group emphasizes that RCs must implement the UNDAF, under national leadership and ownership and with a developmental and non-politicized perspective. We seek clarification on how to ensure this aim with the proposal of double and triple hatting? In addition, what is the role of the host country in approving this designation? The Group also seeks clarity on how to safeguard the separate mandates of humanitarian and development work, including with respect to the proposed creation of a Development-Humanitarian Joint Steering Committee, while improving complementarity. This of course needs to be in line with the mandate of the QCPR resolution. Important questions on funding diversion between mandates is also of the utmost importance to the Group. No less important will be the question of funding the new RC system. A true costing of this is necessary for informed decision-making by the member states. The Group also considers it important to participate in the early stages of the selection of the new RCs. We request the Secretary-General to accelerate his evaluation and give us concrete proposals on the selection mechanism.

9. Fourth, on the regional approach: the Group stresses its importance, since many sustainable development challenges are better addressed at that level, in line with relevant frameworks, while bearing in mind that different regions may require different approaches. Regional Commissions have a key role to play in this regard, particularly considering the structural and inclusive economic transformation required by the 2030 Agenda. Strengthening regional capacities through the work of Regional Commissions can foster cohesive policy voice and mutual understanding, reinforce coordination and collaboration within the UNDS, and enhance synergies at the national and regional levels for the benefit of member states, and to inform evidence-based policy-making processes. We also note the importance of the sub-regional level.

10. Fifth, on strategic direction, oversight and accountability: the Groups believes that there is a need for ensuring more accountability to countries of operation. We also seek clarity on the effects and consequences of the proposed merger of the New York-based Boards. For example, how could we reconcile the different expertise required among different Boards? And how could we respect the mandate given to each fund and program and make its work remain consistent? What are the implications for the funds and programs with governing bodies that are not based in New York? We also would like to underscore that the cornerstone of any proposal to reformulate the boards must ensure that developing countries are well represented. In addition, with respect to the proposed appointment of a new Chief Economist, the Group would like to seek clarification on the terms of reference for this position.

11. Sixth, on Partnership for the 2030 Agenda: the Group would like clarification on what the proposed role of member states will be with regard to managing risks and ensuring oversight. We

would also like to know how the partnership-related work streams would address the request by member states that priority, in partnership arrangements, is given to core resources, and that non-core resources from partners are made flexible and aligned with strategic plans and national priorities.

12. Finally, on the Funding Compact: the Group supports this bold initiative of the Secretary-General. We would seek clarity on how it will preserve the fundamental characteristics of the operational activities for development of the UNDS, inter alia their universal, voluntary and grant nature and address the decline in core funding, core and non-core imbalance, as well as the increase in earmarked funding. Funding and financing are separate and relevant issues, and the conversation on financing should not eliminate that on funding. The Group underlines the need to fulfill the obligations regarding financing for development, including ODA.

Madame President,

13. In addition to the substantive comments and questions highlighted above, the Group believes that the important question of process for the consideration of the Report, and deciding on the UNDS reform, as stipulated by the QCPR mandates, is no less significant. The Group believes this process must be members states-driven, and should abide by the principle of openness and transparency, through an intergovernmental negotiation process, at the General Assembly, while fulfilling the mandates in the QCPR resolution for consideration by ECOSOC. The Group is open to engagement on specificities of this process, including on issues relating to the possibility of appointing facilitators, specific timelines, as well as consideration by the Fifth Committee. Questions that will also need to be addressed include the scope of the reform and whether it will encompass DESA reform, and ECOSOC review mandated by resolution 68/1. The Group reaffirms the central role of DESA to support inter-governmental processes and enhancing the capacity of developing countries to implement the 17 SDGs with adequate resources allocated to support national needs and priorities.

Madame President,

14. We have an important task before us, one that is of particular importance to developing countries. Moreover, since we cannot afford to fail, we must ensure that the new system works better and smarter, so as not to leave any country behind, particularly the neediest and furthest behind. It is incumbent on the international community to remain mindful of this responsibility. As such, the Group will be engaging fully in analyzing the merits of the Report in the coming period.

15. Finally, I would like to announce that the Group intends to launch a series of discussions, open to all member-states and the various entities of the UNDS, to help bring clarity, and ultimately to help progress the intergovernmental negotiation process before us.

Thank you.