



STATEMENT BY MRS. DIEDRE MILLS, PERMANENT MISSION OF JAMAICA TO THE UNITED NATIONS, ON BEHALF OF THE GROUP OF 77 AND CHINA, DURING THE OPERATIONAL ACTIVITIES SEGMENT OF THE ECOSOC, (New York, 12 July 2005)

Mr President,

On behalf of the G77 and China, I wish to extend warmest congratulations on your election as Vice-President of the Economic and Social Council (ECOSOC) as well as on the very able manner in which you have guided the various discussions under the operational activities segment. We are confident that under your leadership we will be able to successfully conclude our work in a speedy and timely manner. You can be assured of the full support of the G77 and China.

May I also take this opportunity to thank the Secretariat for the Reports which have been prepared to facilitate our discussions. They have provided very useful and timely information on the many important issues to be addressed if we are to ensure that the UN development system is adequately equipped to deal with the many challenges associated with operational activities. Allow me to highlight some issues of particular concern to the G77 and China.

General Principles

There are several important principles that we believe must be re-emphasized as they are central to our discussions on operational activities.

First, it is critical to reaffirm the fundamental characteristics of the operational activities of the United Nations system, namely its universal, voluntary and grant nature as well as the principles of neutrality, objectivity and multilateralism which should guide its operations. In addition, the system must be able to respond in a flexible manner to the specific development needs of recipient countries, while mindful of the importance of ensuring national ownership and leadership in the design and implementation of programmes.

Ensuring congruence among policies at the various levels takes on particular importance, especially in our preparations for the High-level Plenary Meeting later this year. The development work of the United Nations is an integral part of the overall effort of the international community to achieve the internationally agreed development goals, including the Millennium Development Goals. Pursuing such a comprehensive, integrated and multi-dimensional approach to development increases the potential for meaningful progress and tangible results in the years to come. Accordingly, and as noted in paragraph 6 of E/2005/58 entitled "Management process for the implementation of General Assembly resolution 59/250 on the triennial comprehensive policy review of operational activities for development of the United Nations system," it is essential that special attention be paid to promoting an integrated approach to development cooperation and ensuring that the policy directives, as formulated at the 2004 triennial comprehensive policy review, are appropriately implemented on a system-wide basis.

Resources

Strengthening the role and capacity of the UN development system to assist countries in achieving their development goals requires continued improvement in its effectiveness, efficiency, coherence and impact, along with a significant increase in resources. The Reports before us, while noting some positive trends in the levels of ODA and the total value of contributions received by the UN system for development cooperation, point to the need for more funds with greater predictability and long-term stability. We note with concern that core resources have not grown significantly over the period 1996 to 2003, while there continues to be significant increases in supplementary funding. The most striking feature of this worrying trend is best captured in paragraph 20 of E/2005/72 on funding options and modalities for financing operational activities for development of the United Nations system, which draws attention to the fact that the lack of sufficient core resources for both administration and programme development represents the single most important constraint on the performance of development entities.

We too share this concern as the continued decrease in untied core resources jeopardizes the long-term viability of operational activities for development and endangers the extent to which the UN system can effectively respond to the new demands of the 21st century. We therefore look forward to continuing our discussions on appropriate funding modalities to reverse this disturbing trend and expect that in the context of the High-level Plenary Meeting of the General Assembly in September, these issues, including the commensurate increase of core resources for

operational activities and the need to fulfill the 0.7 per cent target of GNI for ODA, will be concretely addressed.

The continued reliance on non-core funding limits the extent to which resources can be allocated according to national priorities and increases prospects for a piece-meal, fragmented approach to development. It also brings with it the potential for competition for core and non-core resources which in turn have serious implications for funding allocated for development purposes. In this regard, it is noteworthy that of the total grant expenditures over the period 1993-2003 only 11.3 per cent was allocated to general development purposes while the bulk (24.3 per cent) was devoted to humanitarian assistance.

We are equally concerned about the prospects for the future, especially with the need for the increasing focus on improving security at the country level and the attendant costs of doing so. While we believe that every effort should be expended to ensure the safety and security of UN personnel, such undertakings should not be to the detriment of funds that would otherwise be allocated for development purposes. We therefore look forward to future reports which comprehensively detail this type of information and welcome efforts to ensure that in the comprehensive statistical data on operational activities for development, greater attention will be given to innovations to allow better comparisons of the development cooperation provided by the UN system.

The G77 is supportive of efforts to ensure that the process of simplification and harmonization augurs to the benefit of recipient countries. We believe that the ultimate test lies not in the process or procedures for reform but rather in the extent to which meaningful and tangible results can be realized at the country-level, in order to maintain the credibility of the multilateral system. We therefore expect that the resulting efficiencies associated with simplification and harmonization will increase resources at the country-level, including through the elimination of bureaucratic costs.

Capacity-Building

It is imperative that operational activities for development, in addressing the long-term development challenges of recipient countries, take into account the need to promote national capacity-building in developing countries. Against this background, we would have expected more concrete and specific targets and benchmarks beyond what is currently outlined in the management process Report contained in document E/2005/58. We share a similar view with respect to the treatment of issues regarding the regional dimensions of operational activities and request that they both be rectified with specific targets and benchmarks for the consideration of future sessions of the Council. As a Group, we would like to see substantive and analytical information and specific targets and benchmarks, *inter alia*, on the role of the UN development system in promoting national capacity building, the use of national execution and available national expertise and technologies, ensuring the promotion and transfer of new and emerging technologies to developing countries, increasing system-wide capacity in support of recipient countries as well as enabling and facilitating the access of recipient countries to the full range of services and accumulated experience available throughout the entire UN system, including the regional commissions.

We also wish to reiterate the importance, as stated previously, of ensuring that developing countries are able to avail themselves of the entire system's "accumulated experience in all pertinent economic, social and other domains," using the whole range of services available throughout the system, on the basis of their comparative advantages and expertise. Equally important is the need for the UN system to use, to the fullest extent possible, available national expertise and technologies in the implementation of operational activities. This dual approach to capacity-building will no doubt enhance the potential for advancing this objective at the country-level.

We are also pleased to have before us the Report of the recently concluded 14 th session of the High-level Committee on South-South Cooperation to which the Group attaches signal importance in view of the importance of 2005, as witnessed by the recent conclusion of the Second Summit of the Group of 77 and China which was held in Doha this past June, and ongoing preparations for the High-level Plenary meeting of the General Assembly in September. It is our hope that the decisions adopted by the High-level Committee will be implemented as a matter of urgency and with the full support of the international community in the framework of international cooperation for development.

I thank you Mr Chairman.