



**STATEMENT BY AMBASSADOR G.J. MTSHALI ON THE OPERATIONAL  
ACTIVITIES SEGMENT OF THE ECONOMIC AND SOCIAL COUNCIL  
(Geneva, 13 July 2006)**

Mr President,

Thank you for giving me the floor to present the views of the G77 & China on the report of the Secretary-General on this item. I would also like to express our appreciation for the very able manner in which you have guided the various discussions under the operational activities segment and we are confident that under your leadership we will be able to successfully conclude our work in a timely manner.

I would also like to take this opportunity to thank the Secretariat for the reports which have been prepared to facilitate our discussions on this very important subject. The reports provided useful insights, bearing in mind that we need to effectively address the challenges that are associated with operational activities, which should ultimately assist countries in eradicating hunger and poverty, achieve sustained economic growth and sustainable development.

Mr President,

In evaluating the progress in the implementation of GA resolution 59/250 on the triennial comprehensive policy review of operational activities for development of the UN system, the SG has highlighted in his reports before us, many areas in which progress were made, but also highlighted areas where more progress are needed. In the interest of time, I will only highlight some issues that are of particular interest to the G77 & China.

At the outset, it is perhaps important to restate that the fundamental characteristics of the operational activities of the UN development system should be, inter alia, their universal, voluntary and grant nature, their neutrality and multilateralism which should guide the operational activities of the UN system to respond to the development needs of recipient countries in a flexible manner, recognizing that these activities should be carried out for the benefit of recipient countries, at their request.

Mr President,

We as member states agreed during the adoption of General Assembly resolution 59/250 to undertake triennially, as of 2006, a comprehensive review of trends and perspectives in funding for development cooperation. It is therefore important to take note of the comments made by the Secretary-General in his report A/60/83 that present practices governing both assessed contributions and voluntary funding modalities have not succeeded in securing an adequate volume of core resources for the UN development system, as well as the comments made in his report E/2006/60 that core resources declined in 2004. The importance of addressing this issue is found in par 20 of the report A/60/83 which states that the insufficiency of core resources for both administration and programme development represents the single most important constraint on the performance of the system.

It is also noted that non-core resources is being used as a mechanism to supplement the means of

operational activities for development, however the remark by the SG that the selectivity and fragmentation inherent in supplementary funding constrains the United Nations system in its pursuit of the full range of the UN development agenda, is an issue that needs our collective attention.

It is, however, noted with appreciation that some countries have committed themselves to achieve the targets of 0.7% of their gross national product as official development assistance to developing countries and 0.15% to 0.20% of their GNP to least developed countries.

We need to continue to further explore funding options and modalities for financing the operational activities for development of the UN system, with the aim of generating additional core resources, and to increase the reliability and predictability thereof to achieve the internationally agreed development goals, including the Millennium Development Goals.

It is important to further refine data contained in the report of the Secretary-General by promoting a concerted effort by entities of the United Nations system to standardize data and statistical practices that reflect funding for operational activities for development, including a better distinction between funding for humanitarian assistance and for long-term development cooperation channeled through the United Nations system.

Mr President,

It is imperative that operational activities for development, in addressing the long-term development challenge of recipient countries, take into account the need to promote national capacity-building in developing countries. By adopting GA resolution 59/250, we as Member States have already recognized that capacity development and ownership of national development strategies are essential for the achievement of the MDGs. We also need to ensure 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 advantage 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, which, as highlighted by the SG in his report to the Council, was not always fully utilized.

Mr President,

It is important that we as Member States provide guidance for the next triennial comprehensive policy review, which will take place in 2007. In this regard it is important that we focus on the following issues:

1. Assessing the effectiveness of the assistance that the UN development system provides to developing countries in their efforts to eradicate hunger and poverty, to achieve sustained economic growth and sustainable development;
2. We need to review the steps taken by the UN development system to ensure country ownership and leadership in its operational activities and to identify further steps needed in this regard;
3. Ensure the alignment of operational activities for development of the UN system with national efforts and priorities;
4. We need to review the adequacy, predictability and long term stability of the UN development funding, in light of the challenges that the attainment of the internationally agreed

development goals present to the developing countries, and to make recommendations accordingly,

5. We have to identify further steps needed to streamline and strengthen the UN development system to ensure a smooth transition from relief to development.

Mr President,

The G77 & China stand ready to continue to work with you on this issue.

I thank you.