



STATEMENT BY MRS. DIEDRE MILLS, ON BEHALF OF THE GROUP OF 77 AND CHINA, IN THE SECOND COMMITTEE ON AGENDA ITEM 57: OPERATIONAL ACTIVITIES FOR DEVELOPMENT OF THE UNITED NATIONS SYSTEM AND SOUTH-SOUTH COOPERATION: ECONOMIC AND TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES (New York, 9 November 2005)

Mr Chairman,

I thank the Secretary-General for the Reports submitted for our consideration under this agenda item and the representatives of the Secretariat for the comprehensive presentations of these Reports. Operational activities for development and South-South Cooperation are of particular importance to the Group of 77 and China.

Operational Activities for Development

Mr Chairman,

The Group of 77 and China has repeatedly reiterated the importance of ensuring that development remains a priority in ongoing deliberations on the reform of the United Nations. In keeping with this objective, the relevant organs, agencies, institutions, funds and programmes of the UN system must be appropriately strengthened and empowered to support development as the top priority of the Organisation. We have had meaningful discussions in this regard, most notably in the context of a strengthened Economic and Social Council, and we look forward to further discussions on how best to ensure that system is able to advance this objective.

It is in this spirit that we are studying the specific recommendations put forward in document A/60/125 and its addenda which were prepared by the Joint Inspection Unit and all other Reports by the Secretary-General. It is clear that notwithstanding the efforts to date, more needs to be done to ensure that the UN is able to effectively respond to the changing global environment and the increasing demands being put on the system.

What is needed is a focus on implementation that effectively translates what is decided at the intergovernmental level at Headquarters into meaningful action at the country level. To do so requires the full engagement and support of the entire UN system, in conjunction with other significant players such as the BWIs. There should be a clear understanding of how this will be done as it will be critical to implementing the various recommendations which have been adopted in the context of the TCPR and the High-level Plenary Meeting in September. In this regard, I would like to reiterate some core issues which must be borne in mind.

General Principles

The first concerns action at the national level. 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. We value this approach and see merit in its continued application in improving system-wide coherence. It is also 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

Second, in the ongoing work to be undertaken by the various Secretariats, relevant Funds and Programmes, the CEB and the UNDG, adequate oversight arrangements have to be in place to ensure that these are monitored at the intergovernmental level. For the Group of 77 and China, it is imperative that the outcome of Secretariat deliberations in the field of development be appropriately reviewed and considered by member states.

Third, any focus on improving operational activities for development has to take into account the issue of means of implementation including, among other things, the provision of adequate financial resources, the transfer of technology and capacity-building in developing countries. We raised these issues during the operational activities segment of the substantive session of the ECOSOC as being critical to a comprehensive approach to addressing the long-term development challenges of programme countries.

To this end, we look forward to receiving substantive and analytical information and specific targets and benchmarks including 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.

The issue of resources also has to be seen in the context of ensuring that the UN system has the resources commensurate with the assistance required at the country-level. The Secretary-General's Report *on funding options and modalities for financing operational activities for development of the United Nations system* in document A/60/83 indicates that while there have been positive trends in the levels of ODA and the total value of contributions received by the UN system for development cooperation, there is the need for more funds with greater predictability and long-term stability. We too share this view.

Of particular concern to the G77 and China is the fact that there continues to be significant increases in supplementary funding to the detriment of sufficient core resources for both administration and programme development. We note that paragraph 20 of A/60/83 concludes that this represents the single most important constraint on the performance of development entities. This is worrying. It jeopardizes the long-term viability of operational activities for development. We therefore look forward to further discussing these issues and, in particular, A/60/83 during the 60 th session of the General Assembly as well as during the 2006 substantive session of the ECOSOC.

South-South Cooperation

Mr Chairman,

I will now turn to sub-item (b) concerning South-South cooperation. This year has witnessed an increased awareness of and attention to South-South cooperation. As noted in the Secretary-General's Report contained in document A/60/257, the areas of focus are multifaceted with numerous activities being undertaken at the national, regional and international levels. The convening of the Second South Summit in Doha this past June which resulted in the adoption of the Doha Plan of Action and Doha Declaration has also given tremendous impetus to strengthening and deepening cooperation among developing countries in such areas as health, education, energy, agriculture and infrastructural development. Notwithstanding these positive developments, it is important for us to bear in mind the need for supportive policies and programmes both within the UN system and the wider global environment to complement South-South initiatives.

The role of the UN system

There is a clear role for the UN system in promoting South-South cooperation as a complement to North-South and triangular cooperation. We recognize and acknowledge the contributions of many of our developed partners in this endeavour. We also acknowledge the work being done by UN agencies and organisations such as the regional commissions, UNCTAD, FAO, IFAD, UNESCO, UNIDO, WHO and ICAO and welcome and endorse the recommendations emanating from the 14 th session of the High-level Committee on South-South Cooperation held in June.

We recognize the invaluable work of the Special Unit for South-South Cooperation in support of national efforts to strengthen South-South policy implementation and wish to recognize the efforts of the new Director, Mr Yiping Zhou, in intensifying the work of the Unit in this regard. We expect concrete measures to be taken to further strengthen the Unit as a separate entity and a focal point for South-South cooperation within the UN system, in accordance with General Assembly resolution 58/220. As part of this effort, we hope that core resources to the UNDP can be increased with a view to supporting the activities of the Special Unit.

We also call upon partners to support the Voluntary Trust Fund for South-South Cooperation and the Perez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries which are in need of significantly higher level of resources. In keeping with the decision of the Second South Summit, we also intend to propose that the Voluntary Trust be suitably empowered as the main multilateral funding mechanism for South-South activities.

The G77 and China welcomes the decision of the Executive Board of the UNDP to include South-South cooperation among the drivers of development effectiveness in the multi-year funding framework and the proclamation of 19 December as the United Nations Day for South-South Cooperation. As we move towards the 30 th anniversary of the 1978 United Nations Conference on Technical Cooperation among Developing Countries that adopted the Buenos Aires Plan of Action, there is the need for the UN to appropriately commemorate this milestone.

With respect to document A/60/257, we see merit in the conclusions and recommendations contained in paragraphs 95 to 99. We agree that there should be strategies and mechanisms for strengthening South-South cooperation, without prejudice to priorities arising from the unique development circumstances of each developing country. We are

particularly pleased with the acknowledgement of the need for the UN system to develop a more coordinated approach to maximizing the use of experts and institutions from the South in advancing at the system-level South-South cooperation. We support this approach and would like to recommend continued close cooperation and collaboration between the Special Unit and intergovernmental and non-governmental organizations and institutions in the South.

The global environment

The positive developments in the area of South-South cooperation do not negate the need for the support of the wider international community. The efforts of developing countries to promote and implement South-South cooperation should not be regarded as a substitute for traditional cooperation with our more developed partners. Among the critical areas in which such cooperation remains essential are in the areas of trade, money, finance and technology. The global systemic inequities which also limit the voice and effective participation of developing countries in global economic decision-making and minimize the extent to which greater coherence and consistency can be brought to these policies have to be addressed as part of the wider context of how best cooperation between developed and developing countries can be truly enhanced. This is an area which we would like to see more forcefully addressed in future reports of the Secretary-General.

The Secretary General's Report in paragraph 9 (b) correctly draws attention to positive developments with respect to the issue of policy space in international economic relations. This is an important concept which was reaffirmed by Heads of State and Government during the High-level Plenary Meeting in September and which we would like to see fully operationalised. It acknowledges that the scope for domestic policies, especially in the areas of trade and investment, are constrained by international disciplines, commitments and global market considerations. For developing countries, it is critical this issue be addressed as a matter of urgency. We stand ready to work with the international community in doing so.

I thank you.