STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY AMBASSADOR MUNIR AKRAM OF PAKISTAN AT THE OPERATIONAL ACTIVITIES SEGMENT OF THE 2007 SUBSTANTIVE SESSION OF THE ECOSOC (Geneva, 12 July 2007)

Mr. President,

I have the honor to make this statement on behalf of the Group of 77 and China.

2. We thank the Secretariat for the useful Reports which will facilitate our discussions.

3. Our deliberation in the operational activities segment this year assumes special significance in view of a number of parallel ongoing processes. Firstly, 2007 is the year of Triennial Comprehensive Policy Review of the operational activities for development of the UN System. Secondly, the UN is engaged in inter-governmentally reviewing the recommendations of the Secretary General's High Level Panel Report on System Wide coherence. Thirdly, the UNDP Executive Board is considering the finalization and adoption of the UNDP Strategic Plan 2008-2011.

4. We are confident that our work in this segment this year would guide the other processes that have an immediate and direct bearing on the UN operational activities.

5. Last year, through ECOSOC resolution 2006/14 we made a significant contribution to the TCPR preparations in this segment by reviewing the progress made in the implementation of the General Assembly Resolution 59/250.

Mr. President,

6. I would like to take this opportunity to highlight some issues of particular concern to G-77 and China in the context of TCPR and to provide in a very preliminary way some important elements for consideration in adopting policy recommendations for the 2007 TCPR as follows:

One, we reaffirm the importance of the Triennial Comprehensive Policy Review of operational activities, through which the General Assembly

establishes key system wide policy orientation for the development cooperation and country-level modalities of the UN system including the UNDP. We believe that the TCPR should determine the course of action for UN operational activities and should not be superceded or preempted by other processes.

Two, the fundamental characteristics of the UN operational activities for development must remain, inter alia, the universal, voluntary and grant nature, the neutrality and the multilateralism, as well as their ability to respond to the development needs of program countries in a flexible manner. Moreover, the operational activities should be carried out for the benefit of recipient countries, at the request of those countries and in accordance with their own policies and priorities for development.

Three, the need for a strengthened global partnership for development, based on the recognition of national leadership and ownership of development strategies should be a guiding principle of UN operational activities at the country level. Partners should provide support for the realization of the objectives and goals of national development strategies. The entire UN system as well as the BWIs and bilateral donors should recognize the ownership of the concerned developing countries, align their cooperation programmes with the national development strategies and also harmonize their individual cooperation programmes with a view to making the optimum contribution to the realization of national development strategies.

Four, the primary thrust of TCPR process should be driven by a vision of a stronger role for the United Nations on development issues, and by the need to fully implement all agreed commitments from all the major United Nations Summits and Conferences in the economic, social and related fields including IADGs and MDGs.

Five, the central issue remains the quantity and quality of development assistance from the UN system. It is essential to ensure that there is an expanding and adequate base of development assistance from the UN system and other sources. The continuing imbalance between "core" and "non-core" resources remains a concern and a major reason for the incoherence of UN development programs, including at the country level. Importantly, the share of core resources over the total contributions received by the UN system has been falling continuously. UNDP, for

instance, will have \$ 1 billion in "core" funding and \$5 billion in "noncore" or earmarked funding during this year. At present, over 45% of the funding provided by UNDP is devoted to projects and programmes relating to governance, while only 25% is being spent on poverty programmes.

For the large part, the development assistance offered – multilaterally and bilaterally – is not responsive to national policies and plans, since it is mostly earmarked to donor determined sectors and projects. Moreover, such development financing is often accompanied by conditionalities; it is tied to procurement from the donor country and often expended largely on expensive consultants and experts from UN agencies or donor organizations. This results in distorting the support provided by the UN development system for implementing national priorities of program countries. Besides, this also injects pervasive unpredictability in funding, which in turn seriously jeopardizes the UN's overall development agenda. In these circumstances, how can the contribution of UN system and other partners be considered to be responsive to national development plans and strategies of the developing countries.

Six, the guiding principle of the UN operational activities should be to provide more efficiency in delivery. The savings acquired as a result of the streamlining resulting from any system wide coherence exercise should be re-channeled into the development cluster of the UN, and not to be directed into other activities beyond that context.

Seven, Coherence at the national and international level also involves the Bretton Woods Institutions, where they exist. They should be a part of any integrated approach to development cooperation. Bilateral development partners should also be part and parcel of this approach.

Eight, there is no "one size fits all". There should be no restrictions on the ability and sovereignty of national governments to determine their own development priorities or select their development partners, as well as the type of relation with the UN development entities they wish to establish at the country level. The UN development system should continue to support development efforts of developing countries principally by assisting in the implementation of nationally determined development plans, strategies and priorities.

Nine, the importance of the regional dimension of development is manifested in the mandates given to the regional commissions in the outcomes of the major UN Conferences and Summits. Improved coherence at the regional level will require strengthening existing UN regional mechanisms for horizontal coordination, and ensuring a vertical link-up and alignment in the UN development and coordination architecture at the global, regional, and country levels.

Ten, South-South cooperation, we believe, is complementary to North-South cooperation, and is a way to enhance exchange of best practices and support among developing countries, regardless of their levels of development. In seeking coherence in the UN development activities, adequate efforts should be made to provide for the enhancement of South/South and triangular cooperation within the UN system.

Eleven, it is important 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. For developing countries to address national priorities and achieve internationally agreed development goals, a continuous process of capacity building is required to which the UN system can make a significant contribution. In this regard, the UN system should make optimal use of the available national expertise and technologies, ensuring the promotion and transfer of new technologies to developing countries, increasing system-wide capacity in support of recipient countries by enabling and facilitating the access of the recipient countries to the full range of services available throughout the entire UN system, including the regional commissions. The UN system should promote the sharing of information on the best practices in its operational activities at the country level.

Twelve, developing countries, in order to meet the internationally agreed development goals, including those contained in the Millennium Declaration, should have access to new and emerging technologies, including information and communication technologies.

Mr. President,

7. The Group of 77 and China is concerned at the inordinate emphasis on issues such as human rights, gender and civic engagement, in the context of

the UN's operational activities for development. These so called cross cutting issues are universally applicable. They should be promoted, through national and international action, and in all countries. They are not to be confined only to developing countries. The Group is concerned that these issues, as well as humanitarian assistance, if included as objectives of UN developmental cooperation could result in discrimination against the developing countries, distort their national development plans and strategies and could be misused to introduce new conditionalities on international development assistance. This is not acceptable to the developing countries.

8. The Group of 77 and China is in the process of reviewing the reports prepared by the Secretariat for the TCPR Process and will share its further considered views with other member state and the Secretariat in due course.

I thank you.