



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY NATALIA HANDRUJOVICZ, THIRD SECRETARY, PERMANENT MISSION OF ARGENTINA TO THE UNITED NATIONS, AT THE OPERATIONAL ACTIVITIES SEGMENT OF THE 2011 SUBSTANTIVE SESSION OF THE ECONOMIC AND SOCIAL COUNCIL (New York, 18 July 2011)**

Mr. President,

1. I have the honour to deliver this statement on behalf of the Group of 77 and China. The Group welcomes this opportunity to present the views of developing countries on the fundamental issues for strengthening the development pillar of the United Nations. We are of the view that enhancing the UN system's capacity to improve its response to the development needs is vital, and reflects the relevance of the Organization, in light of the many pressing development challenges we currently face.
2. The Group wishes to thank the Secretary-General for the reports submitted, we are confident that our work in this segment would guide the other processes that have an immediate and direct bearing on the UN operational activities.
3. We believe that 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.
4. In that regard, the fundamental characteristics of the UN operational activities for development must remain, among others, the universal, voluntary and grant nature, the neutrality and the multilateralism, as well as their ability to respond to the development needs of programme 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 national policies and national priorities for development.
5. 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.

Mr. President,

6. The quantity, quality and predictability of development assistance from the UN system constitute a central priority for developing countries. Additionally, the growing imbalance between core and non-core resources for operational activities must be addressed as a matter of urgency. The increasing shift from core to non-core funding leads to fragmentation and can impair the effectiveness and efficiency of operational activities, as non-core resources are unpredictable, increase transaction costs, inefficiency, incoherence and fragmentation of the UN system, including at the country level, causing competition among organizations, as well as inviting them to divert from their respective mandates.
7. It is therefore essential to restore the balance between core and non-core funding resources as well as to ensure an expanding and adequate base of resources for development.

Mr President,

8. The Group of 77 reiterates the call to the UN funds and programmes as well as the specialized agencies to take concrete measures to mainstream support for South-South cooperation -including triangular cooperation- to help developing countries to develop capacities to maximize the benefits and impact of South-South and triangular cooperation.

9. We believe that South-South cooperation should be explicitly incorporated into the operational programmes of all relevant bodies of the United Nations system and there should be coordination among various entities on the most effective way to support South-South cooperation. In this context, we welcome the recent initiatives undertaken by various UN bodies to establish new units and work programmes to support and promote South-South cooperation and urge other entities of the United Nations system to intensify their efforts to include South-South cooperation in the mainstream of their activities.

10. Finally, Mr. President, the Group of 77 and China reiterates its view that the advancement of the UN's development agenda rests with the full implementation of both the TCPR resolution and General Assembly resolution 64/289, including through the enhancement of the UN system's operational capacity to respond more broadly, effectively and efficiently to the needs and priorities of developing countries in support of their efforts to achieve the IADGs, including the MDGs.

I thank you, Mr. President.