

Co-Chairs Maurer and Berruga,

The topic before us on the issue of the institutional framework for the United Nation's environmental activities is an important one for the Group of 77 and China and we are pleased to contribute to this informal consultation as part of the discussion on United Nations reforms. As mentioned before, the Group recognizes the need for and stands ready to contribute to the search for measures to strengthen environmental management.

Our approach to this meeting is that the Group of 77 and China would pronounce on the issues most important to the developing world. Members of the Group would then in their national positions attempt to answer the specific questions posed by the Co-Chairs.

What is important for the Group as declared recently at the G77 Ministerial in Putrajaya, Malaysia is that development and the right to it is the centerpiece of our interaction within the United Nations and this is bolstered by our adherence to the Rio Principles. To that end, the realization of the right to development should be given utmost priority by the United Nations.

Fortunately, our participation in this debate has been facilitated by our Ministers' declared positions on the issue of System-Wide Coherence wherein paragraph 169 and more specifically, the issue of environment is located.

Our concern in this debate is that the United Nations should be upheld as the apex of multilateralism its universality and legitimacy and nothing should be done to undermine its pluralism and its diversity.

In the quest to address the issue at hand the process must be aimed at strengthening multilateralism and promoting equity and development including development cooperation in the United Nations. This should be achieved through an enhanced global partnership for development, including more effective assistance to developing countries.

The Group further emphasizes that the United Nations is the premier international organisation and system, addressing sustainable development in its three components: namely economic development, social development and environment protection. In that regard, its role should be strengthened so as to cover the normative, analytical, policy and operational aspects of development, bearing in mind that the normative work of the organization is the outcome of an inter-governmental decision making process and is addressed to the full membership of the United Nations.

We are very wary of any attempt that would in its final analysis diminish the voice of the developing world in global debates including on the issue of environment. It is important for us that the issue of environment is squarely dealt with within the context of sustainable development and not in isolation of the other pillars of sustainable development.

We stress that the fundamental characteristics of the operational activities for development of the United Nations system must be, inter alia, their universal, voluntary and grant nature, their neutrality and their multilateralism, as well as their ability to respond to the development needs of recipient countries in a flexible manner.

The Group of 77 notes with concern that the multilateral development system lacks good global governance. There is a need to substantially improve coherence in mandates and roles, accountability and representation. Therefore, we support an analysis of the entire multilateral architecture. The System Wide Coherence process should focus on areas where better coordination and coherence is needed. Total or immediate restructuring of the United Nations activities or architecture should not constitute a goal in itself. Efficiency and effectiveness is not always guaranteed by the collapse or merging of institutions.

We underscore that the United Nations should continue to have a holistic and comprehensive approach towards development. The System Wide Coherence process should also address areas such as trade, finance and macro-economic policy. Therefore the System Wide Coherence process should not limit the United Nations role into niche issues.

We underscore that any changes that might need to be introduced to the current system, both at the country level, or at the level of the headquarters, should not lead to additional financial burden to developing countries or to unnecessary administrative costs or unwieldy management structures. Such changes should not disrupt on-going development plans and activities. The one-size fits all approach should not be applied. Diversity, different levels of development, cultural differences as well as regional and sub-regional specificities require implementation changes at the country level based on a case by case basis, taking into account national priorities and strategies and with the consent of the government concerned.

The Group of 77 and China stresses that the United Nations system both at the headquarters and at the country level, with regards to the delivery of mandated activities and efficient management should be fully accountable to the Member States. The oversight role of Member States over the mandated activities of different governing bodies of the funds and programmes of the United Nations should be strengthened further.

We stress that the objective to achieve System Wide Coherence should not be a cost cutting exercise. Reductions in administrative expenses should be redirected to programmes in each country. The principles of cost recovery should be harmonized, and its proceeds retained and spent on development programmes.

The Group underscores that financial resources should have the characteristics of predictability, sufficiency, flexibility and sustainability. For the last three decades, in general, unpredictability, insufficiency and inflexibility and unsustainability of financial resources have characterized the United Nations funds, programmes and agencies at the country level, thus crippling their ability to implement programmes successfully. The United Nations should avoid shifting resources from development activities to other activities which are donor-driven and not in line with the priorities of developing countries. We stress that core resources because of their untied nature should continue to be the bedrock of the operational activities and these resources should not be diverted away from core issues of development to donor driven priorities. The challenge of the gap between development mandates and resources needs to be given priority.

We stress that setting the priorities of the Organization, as reflected in legislative decisions, remains the prerogative of Member States. We emphasize that the exercise should not change the inter-governmental nature of the decision-making, oversight and monitoring processes, or re-define the roles and responsibilities of various Organs of the United Nations as identified by the Charter. We further stress that such an exercise is not aimed at cutting the costs of the Organization or to reduce the budget levels and fund more activities from within the existing resources. We agree that any savings that may result from the outcome of the exercise should be redirected to the activities of the Organization in the development area.

We underscore the importance of addressing the implementation of mandates and assessing the reasons for less than full or non-implementation. We also believe that Member States should be willing to increase the financial and human resources that have been allocated to programmes if the lack of resources hinders the full implementation of mandates or activities. In this regard, we reaffirm our commitment to ensure that mandates, in particular those related to development, receive adequate resources. We urge all Member States to illustrate their commitment to the Organization through a willingness to provide adequate resources to all mandate programmes and activities, especially those related to development.

On this basis, let me reiterate the G77 and China's willingness to explore the possibility of finding a more efficient and effective framework to deal with the issue of environmental activities within the context of sustainable development.

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I thank you.								