

Statement by Ambassador Bagher Asadi, Chairman of the Group of 77 (Islamic Republic of Iran), at the Operational Activities Segment of the Substantive Session of 2001 of the Economic and Social Council

Geneva, 5 July 2001

Mr. President,

I should, first of all, express, on behalf of the Group of 77 and China, our sincere appreciation to the Secretary-General for his interesting, informative and very useful reports on the “triennial comprehensive policy review of operational activities of the United Nations system for development” as well as “progress in the implementation of the multi-year funding frameworks and evaluation of the United Nations Development Assistance Framework”. The operational activities of the United Nations system have always been very close to the heart of the developing world. We have viewed them as the actual manifestation of the UN’s mission and mandate in the field of development and pursued their formulation and execution with keen interest; I suppose I should rather say with a deep sense of cherished anxiety if not jealousy. It is exactly from such a vantage point that we approach the subject matter of this segment of the Council’s work and address the reports before us. Given the wide breadth of the issues involved as well as the quite complex nature and level of intergovernmental discussion on them, the present statement is longer than what I would have preferred to deliver. Our consensual agreement in New York to engage in in-depth deliberation in this Council session, suffice with a procedural decision here in Geneva and leave negotiation on a substantive outcome to the 56th Session of the General Assembly is also to be blamed for the length of the statement and the details involved.

Mr. President,

With these general words setting the stage, let me first draw attention to the fact that the overall environment and the context within which United Nations development cooperation has been operating have changed substantially during the last decade. Globalization, a still unfolding process, is offering new opportunities and posing serious challenges; the gap between the rich and the poor and income inequalities within and among countries have been increasing; and overall official development assistance (ODA) and multilateral development cooperation have been either stagnant or declining in spite of fiscal health of many donor countries. On the other hand, during the same decade, thanks to a series of major UN conferences, global consensus has emerged on setting objectives and timetable for achieving the agreed targets regarding various aspects of development. It is regrettable, though, that a similar global consensus on the mobilization and provision of the requisite financial resources has not been translated into action. This new environment, with all its associated complications, has also transformed the needs of programme countries which have been trying to benefit from the potential opportunities and address the actual challenges of globalization. Simultaneously, this overall trend has as well created a more challenging environment for the funds and programmes in their activities geared to the promotion of development.

The Group of 77 and China believes that poverty eradication in its broad interpretation should continue to be the major pillar of operational activities of the United Nations. As quite aptly indicated in the report, the right policy mix and institutional capacity, along with adequate international assistance, can significantly and rapidly reduce poverty, and the United Nations system can play an important role in that process, especially through supporting capacity-building. However, indications are that the major factor constraining such a UN role is declining financial resources for multilateral assistance and lack of resources at the domestic level. This situation needs to be addressed and redressed, both at the international and national levels. In a general sense, at the international level, mobilization and provision of adequate international assistance, both financial and technical, should be ensured. Market access and removing trade restrictions by developed

countries could also enhance domestic capacities of developing countries in mobilizing resources for poverty eradication. And at the national level, higher economic growth rates could contribute to the mobilization of domestic resources. Moreover, country-ownership of the programme and projects should be ensured. To this end and with a view to playing the central role in contributing to the formulation of their overall national development strategy, programme countries should be fully participating in all phases of designing, implementation, monitoring and evaluation of development programmes and projects.

Mr. President,

Provision of financial resources for operational activities of the United Nations is a precondition for ensuring efficiency and impact of such activities for development. Funding for these activities should be sufficient, secure and stable and on a predictable, continuous and assured basis, and equally important, commensurate with the increasing needs of developing countries. The core or regular resources have been and still continue to be the bedrock of the operational activities of the United Nations system; they allow funds and programmes to follow the multilateral agreed targets for development. Much to the chagrin of the developing world, Official Development Assistance (ODA) has been declining constantly during much of the 1990s; the share of funds and programmes also generally keeping pace with the overall declining trend in ODA. Lack of resources and weak financial base for operational activities will inevitably hamper and constrain the ability of the system to address challenges especially those directly related to and resulting the process of globalization. The Group of 77 and China finds this situation and trend extremely disquieting. We share the concern expressed in the report that aid effectiveness and efficiency can not be separated from availability of resources and also that lack of resources adversely affects the impact of programmes and projects, weakens the results and will in turn lead to further cutbacks and erosion in public and political support for increasing contributions to the core resources. Allocation of more resources to short-term emergency activities to the detriment of long-term activities and also contributing more to the emergency part of consolidated appeals packages and not to its development section is another trend that will have negative impact even on the development of the countries in crisis. As we all remember, progress towards multi-year funding frameworks for funding operational activities by United Nations funds and programmes had raised certain expectations, which are to be realized. Given the situation as it is, it appears that a strong political commitment to the common development objectives that we have collectively set through major UN conferences and the Millennium Declaration is acutely needed to guarantee an assured and secure provision of resources for operational activities.

Achieving greater coherence and coordination in the operational activities for development for improving efficiency and effectiveness of such activities; promoting a country-driven collaborative and coherent response by the United Nations system with a view to making a greater impact at the country level, and supporting fully the national priorities of recipient developing countries have constituted the major objectives for such activities. The Group of 77 and China would like to stress that in the coordination of operational activities the major responsibility lies with the national government for coordination of all assistance and developmental activities, and also that it is imperative to ensure full government participation in the formulation of UNDAF – which is still at pilot phase - as well as of its full ownership through the consent of recipient country to the finalized agreement. Common Country Assessment (CCA) should contribute to build analytical capacities of national partners that actively participate in the process, including in the area of statistics and development data analysis. The CCA and UNDAF documents should have a high technical quality for more effective coordination, and the involvement of the government should be ensured in all phases, not to be merely limited to a formal consent or formalistic commenting on finished products. Moreover, these instruments should not put excessive burden on the programme countries through increasing transaction costs. On the other hand, it is a fact that these two instruments increase the work load of country teams. Nevertheless, their impact is most evident at the country-level; they seem to have enhanced collective identity of the United Nations country teams. UNDAF is also to be credited for proving useful in identifying common strategic priorities. The Group of 77 and China strongly believes that capacity-building at the

national level for full involvement of the national government and all other relevant players in all phases of CCA and UNDAF is indispensable for ensuring national ownership and consideration of national priorities in these two instruments which will contribute enormously to their success.

Mr. President,

On the Resident Coordinator System (RCS), the pool of prospective RCs needs to be widened and the ownership of the resident coordinator function by all United Nations system organizations also needs to be strengthened. We also believe that in addition to competency assessment of RC candidates it is also necessary to utilize the new information technologies to train Resident Coordinator candidates in the pool for their future undertakings. The theme groups arranged for various issues should be more efficient and to engage in more substantive cooperation including planning and programming. Constructive relationship and cooperation with the government and other development partners at the national level is necessary to ensure their engagement in any substantive joint activities by theme groups.

Simplification and harmonization of monitoring, reporting, rules and regulations, programme cycling, evaluation and decentralization of authority of operational activities of the United Nations system at the headquarters as well as the field level are important factors for promoting the efficiency of such activities. It is fair to say that there has been some good progress in this regard. Nevertheless, the complexities resulting from programming procedures, diversity of rules, procedures, policies and formats still place enormous burden on the recipient developing countries. Any designing and development in this field should ensure full participation of the government as well as of other players at the national level, should be responsive to the needs of developing countries and should consider the impact of these procedures on the capacity of recipient developing countries which should integrate multilateral development programmes in their national development programmes with the objectives of reducing administrative and financial costs to the recipient countries as well as to the United Nations system. The transaction costs borne by the recipient country as well as by the United Nations system for simplification and harmonization of operational activities should always be under scrutiny and assessment and in comparison with the total expenditures of operational activities in that country. The Group of 77 and China recognizes the constraint that Funds and Programmes of the United Nations system face, including as a result of the diversity of programming procedures which is itself a consequence of the diversity of mandate and rules of procedures of various bodies, not to mention the decisions of various governing bodies of Funds and Programmes. Despite all these, it is, nevertheless, necessary to utilize all avenues for stronger cooperation and coordination of procedures and decision-making processes at the headquarters, which should complement such coordination in the field. There has been some interagency efforts in the area of harmonization including as regards delegation of authority to the field. More endeavors, however, are necessary and the recipient developing countries should be fully informed about such activities. The recipient countries should also be fully informed regarding such coordination for harmonization at the headquarters to enable them to follow such efforts in the field.

Mr. President,

The now familiar idea of the establishment of a common premise and sharing of administrative services – which all of us recognize to have aroused a lot of interest and discussion - should be based on a comprehensive cost-benefit analysis with full consideration of long-term costs and benefits. It should not entail any substantial additional costs for the recipient developing countries. The utilization of advanced information and communication technologies could also provide the necessary platform for more coordination and cohesion at the field level, in particular where there is a good information and communication infrastructure in place.

The Group of 77 and China believes that operational activities of the United Nations system should be an integral part of national development programmes and the structure at the field level should conform to this

objective and serve its realization. The staffing of field offices should be demand-driven. As a matter of principle, the level of cooperation and the nature and size of the programmes and projects and the needs of recipient developing countries should justify the number and the expertise of staffs as well as the size of premises for the UN country common premise or office. Small UN agencies, which are more technical in nature, should also be encouraged to render their support, including through special arrangements, to the countries which need their technical expertise.

Cooperation, coordination and more interaction among the funds and programmes of the United Nations and BWIs as well as the regional banks for increased complementarity and better division of labor have been stressed in numerous decisions of the General Assembly and the Economic and Social Council. The main objective of such a coordination should be strengthening and building upon existing arrangements for supporting developing countries and in accordance with their priorities – needless to say, under the leadership of the national government for greater efficiency and impact.

Mr. President,

Evaluation and monitoring of the operational activities is crucial for ensuring their effectiveness and efficiency. Strengthening the involvement of national authorities in the monitoring and evaluation of effectiveness and impact of operational activities is all but imperative for a comprehensive approach to monitoring and evaluation; which could include, capacity-building and conducting joint evaluation by all relevant UN bodies and other major development partners in a country; utilizing the results for improving the impact and efficiency; and updating the monitoring and evaluation with the innovative approach in the developmental activities, especially the current general move towards strategic and policy issues.

The involvement of the United Nations system in humanitarian assistance, including natural disasters and crisis and post-crisis situations, has expanded during the past decade. It appears that that such situations will continue to be an area of serious challenge for the international community. The United Nations funds and programmes should provide technical assistance to recipient countries according to their national economic and social needs and priorities, including for poverty eradication, humanitarian assistance, promotion of all human rights, particularly the right to development, for achieving sustained economic growth and sustainable development, in accordance with relevant General Assembly resolutions and outcomes of recent United Nations major conferences and, I should add, the Millennium Declaration as the latest manifestation of universal consensus at the highest level. It is to be cautioned, however, that various phases including relief, rehabilitation, reconstruction and development are generally not consecutive, rather they often overlap and occur simultaneously. We, therefore, stress the necessity of early application of development tools in humanitarian emergencies. The Group of 77 and China believes that national authorities should have a leading role in all aspects of the recovery plan. The Group also underlines the need for strengthening coordination among various relevant players at the national level and multilateral institutions and agencies and intergovernmental and non-governmental organizations in this respect.

Mr. President,

Drawing close to the latter part of the statement, let me turn to the new information and communication technologies, which we all agree can provide tremendous potential opportunities and new hopes for development, particularly human development. These technologies can provide instant access to critical information almost in every sector of the economy; for farmers, workers and investors; they facilitate market access for all kinds of enterprises through access to information; and they can empower the poor through sharing knowledge and information which is an important factor for poverty eradication. They can also provide a platform for good governance through utilizing these technologies towards a more open, responsive, accountable and transparent system. Most developing countries are critically short of basic infrastructure for promoting access to and use of such technologies; a situation that can be remedied through

assistance from the international community, including by strengthening national efforts in this field through provision of policy guidance, financial resources and technical assistance. We remain hopeful that with the establishment of the ICT Task Force the UN system, in particular funds and programmes and its specialized agencies, would become fully engaged in the transfer of ICTs to developing countries and develop innovative modalities and mechanisms for strengthening and improving ICT capacities in these countries.

Mainstreaming gender perspective in the operational activities and improving gender balance in the Secretariat has always been underlined in the decisions of the Council. We note with satisfaction the general trend towards mainstreaming gender perspective as an important component of operational activities, in the guidelines as well as in the formulation of relevant programmes and projects. We also appreciate the continuing trend for more gender balance in appointments within the secretariat at the headquarters and the field level. Another area of positive development concerns the incorporation of the regional and sub-regional dimension in the operational activities of the United Nations for development, which could help promote regional activities and regional integration. It should be stressed, however, that ownership of the regional programmes and the securing of funding for them would ensure a higher level of success for such programmes.

As the very last issue, I address, albeit very briefly, the Group's attachment to and support for technical and economic cooperation among developing countries. As is known fully well, we have always underlined the role of organizations and bodies of the United Nations system for mainstreaming TCDC modalities as a supplement to North – South cooperation. Promotion of such modalities could help disseminate best practices in this field as well as contribute to the promotion of indigenous knowledge, know-how and technology in the South. We have noted that South-South cooperation has been one of the priorities of the Administrator's business plan for 2000-2003, yet, an enhanced contribution to the core resources of UNDP can further strengthen the resource base of the Special Unit for TCDC to enable it to promote such activities.

And finally, Mr. President, I should draw attention to the importance we attach to the use of indicators in assisting the work of agencies in the development field. In this respect, we deem it necessary to emphasize the role of the Statistical Commission as the intergovernmental focal point for the review of indicators used by the United Nations system. Equally imperative is the necessity of respect for the principle of full participation of all countries in the development of such indicators as well as in their approval by the relevant intergovernmental bodies, as established by the ECOSOC resolution 2000/27.

Let me close the statement with an expression of hope – an earnest hope on my part and in fact, on the part of the whole Group – that the collective positions of the developing world, as reflected here, will make a good substantive contribution to the report the Secretary-General is requested to submit to the upcoming General Assembly session. This statement has been prepared and presented in the spirit and with a view to help us in the intergovernmental body to arrive at a higher and fuller, and certainly, more nuanced, understanding of the parameters of operational activities of the United Nations system in these times of rapidly changing circumstances and emerging and competitive priorities.

Thank you very much, Mr. President.