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Statement by Mr. Aiichiro Yamamoto, Resident Representative,
Japan International Cooperation Agency (JICA)

The role of UN as a Guardian of the MDGs

Eight years ago here at the UN Headquarters the Millennium Development Goals were adopted by the representatives of 189 member countries, including many heads of states. Since then their attainment has been an overarching goal of all development partners including the UN agencies, bilateral donors and the international financial institutions such as the World Bank.

As a guardian of the MDGs, UN has been playing the role of a locomotive pulling the international community towards the achievement of the MDGs. However, these efforts by the UN are challenged by two imminent problems. One is globalization and the other is external shock at the global level such events as the food crisis or natural disasters on a massive scale.

First, let us consider globalization. I would like to share with you some of the negative effects of globalization that are taking their toll on African farmers. If you go to Shoprite, a South African supermarket chain in Lilongwe, Malawi, you will find South African milk and Chinese mushrooms stocked on the shelves. Malawian farmers, too, produce milk and tasty mushrooms in the nearby villages, but their products do not find their way into the supply chain. In Tanzania rice farmers have succeeded in doubling their output per hectare, thanks in part to the Japanese technical cooperation, but they have to

compete with cheap Thai and Vietnamese rice sold at the grain market in Arusha, often unsuccessfully.

Under the current system of globalization, hard-working people aren't necessarily the winners. Countries striving to free themselves from poverty cannot always succeed. As Professor Stiglitz says, "globalization per se will not ensure economic growth across the board, unless we do something to make it work for the poor".

The other issue that is hampering efforts to attain the MDGs is the susceptibility to external shock that is characteristic of the poorest countries. The latest such shock is the food price crisis. Many leaders of the world have issued a warning against aggravating the world food situation. At the G8 Summit, which took place in Japan only three days ago, African leaders called for more concerted actions by G8 countries.

The current food crisis is partly attributable to the neglect of direct aid towards agriculture, particularly, in Africa. If you look at aid to Africa over the past decade, there has been a clear shift of allocation away from agriculture and infrastructure towards social expenditure such as health and education. This trend made sense because we wanted to boost aid to achieve MDGs more directly. However, it is widely feared that the current food crisis may turn the MDG clock backward as already poor people are affected by the soaring food prices.

Natural disasters are also affecting vulnerable people and fragile states on an unprecedented scale. In the space of a few months we have seen major disasters in Asia: the floods in Myanmar and a severe earthquake in Sichuan, China and Northern Japan. Natural disasters by definition are unpredictable and unstoppable, but their effects can be mitigated. Unfortunately, a great deal of preventable damage is caused by the lack of investment in disaster risk reduction

and preparedness. Thus poor countries and vulnerable people are more disproportionately affected by natural disasters than rich countries and rich people. Poor people are hit worse than rich people in any crises or disasters.

In the case of LDCs, the government has so many urgent demands to deal with that disaster risk reduction often becomes unattended issue. However, if one looks at the aftermath of the Myanmar floods and Chinese earthquake, one sees that such neglect can have catastrophic consequences, and it is poor people who are most severely affected. Thus the achievement of MDGs is hampered by the natural disasters as well.

Under such global circumstances, the MDGs are under threat. Then what should UN, as a guardian of the MDGs, do? One of the strengths of the UN is its agencies' expert knowledge and experience in all matters that affect a country's striving to achieve the MDGs.

The UNDP, for example, has all the necessary development expertise ranging from human resources development and disaster prevention to community development. The FAO has an outstanding knowledge in the area of long-term agricultural development. UNICEF is not only specialized in education but active in all issues related to education such as water and sanitation. When I was on a short mission to Iraq shortly after the US declaration of 'mission accomplished' in June 2003, I was assisted by the UNICEF Baghdad office in preparing JICA's aid projects. Their knowledge and experience in Iraq from the Oil for Food program days really helped the donor community in Iraq at that time in shaping the assistance framework in education and sanitation.

In Senegal JICA and UNCDF, a specialized UN agency in microfinance and decentralization, are collaborating to support the country's small-scale artisan industry which is the key industry in Senegal for creating jobs for the urban poor. JICA will provide technical training to the groups of craftsmen and women and UNCDF will support micro-

financial institutions that will provide credit to them. In the globalized market, providing technical training and market information is not enough. We need to provide financial assistance to the prospective groups of people who start small-scale business activities.

Given its reach, its specialized resources, expertise and its global representation, I believe that the UN is in a unique position to assist bilateral donors to address emerging global issues such as food crisis, disaster prevention and not least climate change. The attainment of the MDGs will depend on how effectively the international community address these emerging issues together.

There's one other asset that I think UN can offer to the international development community. That is the function of UNRC, particularly in CCA. In the year 2000, I was seconded to the UNTAET as head of its Economic Planning Unit. There I had a chance to participate in the CCA chaired by the UNDC. By definition, the Common Country Assessment (CCA) is a country-based process for reviewing and analyzing the national development situation and identifying key issues as a basis for advocacy, policy dialogue and preparation of the UNDAF.

Each partner country has its potential and bottlenecks for development. It is absolutely necessary for all donors operating in that country to share common knowledge and understanding of such key aspects of development, particularly, in the post conflict situations when reliable data and information are often lacking and donors are rushing to start up any project.

In East Timor, the UNDP office in Dili did a very good job in mobilizing and integrating all data and information possessed by different UN agencies together and thus building a common platform for further aid coordination.

Aid coordination often focuses on aid approaches. But more importantly donors should have coordinated assessment of the potential and the needs for development of each partner country.

I highly appreciate the role of UN in conducting CCA and I suggest that UN should strengthen its capacity in formulating CCA and outreach to the donor community, particularly, bilateral donors.

I also would like to stress that better aid coordination is done in the field and that the UN headquarters in New York and Geneva should respect the work of UN in the field.

I thank you.