

ECOSOC Substantive Session Operational Activities Segment

Summary of proceedings

Dialogue with the Executive Heads of Funds and Programmes
“Implementation of the Millennium Development Goals
in the context of current challenges”

Friday, 11 July 2008, ECOSOC Chamber

Introduction

H.E. Ambassador Andrei Dapkiunas, Vice-President of ECOSOC opened the dialogue. He cited the importance of the dialogue as a mechanism in the Council’s role as a principal coordinating body that guides the work of the funds and programmes in implementing the policies defined by the General Assembly, and in particular, the work of UNDP, UNFPA, UNICEF and WFP in contributing to the achievement of the MDGs in programme countries.

Mr. Sha Zukang, Under-Secretary-General of UNDESA, moderated the dialogue. In his introductory remarks, he highlighted the recent adverse turn of circumstances – the unstable financial markets and volatile capital flow, the imbalance of food supply and demand, and the adverse climate conditions that threaten the global economy, and the unfavorable outlook in the next two years which adversely impact on the realization of the MDGs. He posed the challenge of how the Council can advance the dialogue on policies aimed at eradicating global poverty, ensuring sustainable growth and achieving sustainable development. For the UN system at the country level, he posed the following questions:

- How can the UN system support programme countries in their efforts to manage the economic, social and political stresses in the short-and medium-term?
- What are the implications for the UN system support to national capacity building?
- How are the UN funds and programmes and UN country teams positioning themselves to respond to these multiple challenges, and how do they support the development of a coherent response?

Presentations by the panelists

Mr. Kemal Dervis, Administrator of UNDP, speaking on MDG 7 on Environmental Sustainability, tackled the subject as a dimension of development. He reflected on the current situation as a very serious structural transformation happening in the world economy. The underlying trend for sustained economic growth is there, as manifest in Asia and some other parts of the world. Technological progress, especially in IT, is raising the potential for rapid increases in productivity. The growth in

technological know-how is spreading much faster than in the past thanks to the process of trade and financial liberalization. However, the potential for growth is threatened, especially for less developed countries by very serious emerging shortages in natural resources (food, fuel, water, the atmosphere). The increase in energy costs is driving the high prices of food, with the policy of using food-crop based biofuels. This threatens to bring people, who are at the verge of getting out poverty, back to the line. Food prices alone will cause 100million people to face extreme poverty in the next two years.

The Administrator stressed there is a need to focus on MDG 7 as one of the absolute key priorities. In this regard, he cited the progress in the implementation of measures to address climate change, and the UN system's support to programme countries such as: the joint UNDP-UNEP programme on poverty and environmental sustainability, especially in Africa; the MDG Achievement Fund supported by the government of Spain which includes climate change adaptation; the Chief Executives' Board mechanisms to coordinate system-wide work plan in support of national climate change adaptation strategies; and the FAO-UNEP-UNDP multi-bi trust fund supporting deforestation issues. He stressed that progress in MDG 7 is critical to achieving other MDGs, and expressed appreciation for the collaboration with the other UN system organizations in this regard, particularly UNEP.

Ms. Ann Veneman, Executive Director of UNICEF, spoke on Child Mortality. She noted that while good progress has been made, much remains to be done to meet the goal by 2015. She also stressed that the MDGs are inter-linked and the gains in one helps the gains in other goals (e.g., child and maternal health, maternal education and child health).

She noted that the annual rate of death among children under-5 has witnessed a drop of 60% between 1960 and 2006. She highlighted the need to scale up efforts and the key role of broad multi-sectoral partnership in these efforts, and cited some notable achievements in addressing child mortality. In 2005, for example, the WHO, World Bank and UNICEF worked with the African Union on a strategic framework for child survival in Africa which has established the objective of scaling up high-impact, low-cost interventions to reduce under-5 deaths. Core to the programme is integrated community-based health packages which must be scaled up. Inter-agency and wide collaboration with civil society and other partnerships plays a key role in addressing global health issues. Success in broad partnerships include the efforts to eradicate polio, which is at the brink of elimination, through the Global Polio Eradication Initiative, and the decline in measles mortality especially in sub-Saharan Africa with the Measles Initiative. Other important gains include the significant reduction in maternal and neo-natal tetanus deaths, where in 12 out of 58 countries this has been eliminated as a problem; addressing malaria through the Roll Back Malaria initiative; and addressing HIV/AIDS through the Global Fund to fight AIDS, Tuberculosis and Malaria. Reflecting on the current crises, she stressed that children are amongst the most vulnerable. Many of the main global killer diseases are sensitive to climate, and there is need to do more with a shared sense of urgency.

Ms. Thoraya Obaid, Executive Director of UNFPA spoke on Maternal Mortality and also stressed that achievement in one goal affects the achievement in other MDGs, in particular highlighting, in the case of maternal health, the importance of girl's education and empowerment. She highlighted five points. The first point was on maternal health as a component of reproductive health. Reproductive health, as the basis for maternal health, is a lifetime concern for women from infancy to old age, and in many cultures, discrimination against girls and women can determine the trajectory of their lives. She stressed that the world is not on track in achieving MDG 5. Accelerated action is needed to meet the targets of reducing maternal mortality and access to reproductive health by 2015. Maternal mortality indicators show the greatest gap between rich and poor among and within countries. Countries with the highest initial levels of mortality have made virtually no progress over the past 15 years. Maternal health is not only an issue of public health; rather it is an issue about the basic rights of women. The second point was on financial investment in health. She pointed out that external aid averaged 7 percent of health sector spending in developing countries, and that in some countries, domestic financing for health has stagnated or fallen. On an optimistic note, she mentioned that the African Ministers of Health adopted the Maputo Plan of Action for the Operationalization of the Continent Policy Framework for Sexual and Reproductive Health and Rights, 2007-2010. The Plan recommitted to financing sexual and reproductive health, and to allocating at least 15% of national budgets for the health sector. The third point was on strengthening health systems so that they can provide safe maternal delivery in terms of skilled health personnel and medical intervention for emergency obstetric care. The fourth point is on health personnel and midwifery, referring to the need for strong supply chains for reproductive health commodities as well as relevant essential drugs, well-equipped facilities, staffed with skilled health workers. In this regard, she highlighted the need to find ways to train more midwives and address factors such as low pay, poor working conditions, and lack of support. The fifth and last point also highlighted the importance of broad partnerships, citing coordination among donors in supporting health sector reforms within sector-wide approaches and national roadmaps for maternal health.

Mr. John Powell, Deputy Executive Director of WFP spoke about MDG 1 - reducing hunger and poverty. Although some countries have been on track to reach the MDG on hunger, the numbers are rising again. There is a global malnutrition crisis with one in every three children in the developing world being stunted, and more than 850 million already spending more than half of their income on food. Millions more will have to cut down on food intake with the increased prices of food. Organizations providing food aid are seeing soaring food prices and dwindling food stocks, making procurement more difficult, and reaching fewer people. The triple threat of the food crisis, the climate crisis and a development crisis is derailing progress in the MDGs, particularly in Africa. Short, medium, and long-term targets and actions are required, including for immediate food needs, safety net and programmes such as school feeding, food for work and conditional cash transfers. A second step would give small farmers access to seeds, fertilizers and other basic inputs, while a third steps should be to ease export bans and restrictions. Referring to the Secretary General's MDG Steering Group's recommendations with regard to the need for global partnerships to address the full

ranges of MDGs. Mr. Powell also stressed the need for coordinated response for the global food crisis, and close partnerships at the country level between national governments, the UN system, civil society and private sector and other actors. He stressed that a strengthened response to the global food crisis addresses not only MDG1, but also other goals, called on maintaining a sense of urgency on the global food crisis, and sought increased ODA support to address hunger.

Highlights of discussion

Delegates noted that there are still major challenges along the way in achieving the MDGs. They concurred that the approach to the MDGs should be **comprehensive, holistic and coordinated**. In the current context, attention on the **MDGs must focus** on the environment and climate change, food security and agricultural development, and health. As the “guardians” of the MDGs, the four UN funds and programmes were urged to harmonize their efforts to muster their collective strengths and become more effective. At the same time, the efforts of the funds and programmes were commended, including WFP’s and UNICEF’s urgent assistance.

The need for flexibility in responding to the new threats and challenges, such as the food crisis was expressed. However, achieving the goals will also require a long-term perspective. Sustaining achievements will call for good governance, rule of law, respect for equality of both men and women.

The MDGs can be reached if **funding** commitments agreed upon are supported by all donors including new donors. In this regard, concerted actions need to be undertaken immediately, and donors, including new ones, should address the financing deficit, recognizing also the importance of South-South cooperation, and of developing innovative sources of funding, such as in the health sector.

With regard to **food security and agriculture**, there was a call for a global partnership for agriculture and a coordinated holistic solution to the food crisis. However, some delegates raised fundamental concerns as to whether there is sufficient understanding of the present crisis, why it has occurred, why it was not predicted, and how major policy blind spots as this can be avoided in the future. Since the UN provides policy advice, concern was raised regarding “the blind leading the blind”.

There was a view that there is no direct (one-on-one) relationship between the food crisis and the energy/fuel crisis, but rather, there are many factors that have caused the food crisis (viz.: the international financial architecture, speculation in the commodities market, lack of agricultural investments, agricultural subsidies, the doctrine of comparative advantage on net exporters of agricultural commodities). There is therefore a need to approach the crisis with more dynamism, not only from the static approach of prices.

There were expectations that with regard to long-term measures, UNDP will focus more attention on agricultural development. WFP was asked about the potentials for

mechanized farming among farmers to increasing agricultural production and productivity and address MDG 1.

With regard to MDGs 4 and 5 (**child and maternal health**), the problem is that even if resources are invested in developing skilled (health) personnel, they are being lost to migration.

With regard to MDG 7, the **EU** expressed commitment to addressing climate change, supporting the most vulnerable countries, and to conclude a successor to Kyoto Protocol in 2009, noting the encouraging results of the recent G-8 meeting. On the MDGs in general, EU indicated that it will continue to play a crucial role in realization of the MDGs, as a principal donor which provides 60% of ODA. It intends to contribute during and after the key events of the year in Accra (follow-up to the Paris Declaration), the High-level General Assembly meeting on the MDGs, and the Doha follow-up to the Monterrey Consensus.

UNICEF and other organizations were encouraged to include the issue of trafficking in woman and children protection in their work.

While recognizing the work done thus far, the UN also needed to help address the problem of Chernobyl. Sharing of experiences on international best practices on energy effectiveness, and in on promoting renewable energy was important.

Noting the complex work by UNDP on its strategic planning, one speaker noted the compromises made at the Board. In this regard, it stressed that national ownership and national priorities should guide operationalization of the plan. The criteria for allocation of resources should be guided not only by per capita income, but also the assessed needs of the countries especially those most affected by the crises. It was further noted that the joint sessions of the Boards would be helpful in understanding comprehensively the work of the agencies.

Responses by the panelists

Mr. Powell, on behalf of **WFP** responded to the question of resource allocation by saying WFP has no ‘core’ resources, and the key drivers of its assistance are: the prices of food, transport cost, and exchange rate fluctuations. 90% of WFP resources are ‘restricted’ and only 10% of donations is allocated multilaterally. These issues are being discussed by the Board in light of the current crises

The ‘Comprehensive framework plan of action on food’ with the World Bank attempts to address the food crisis comprehensively. With regard to foresight on the food crisis, the heads of WFP and FAO have given forewarning as early as the summer of last year. With regard to farm mechanization, it was estimated that there are 450 small farmers all over the world, 2 billion including their families. They need to be part of the

solution. While efforts were made to connect farmers to the market, 80% of cash assistance received by WFP are used to purchase food from the local producers.

Ms. Obaid, responding on behalf of **UNFPA**, on the question of holistic approaches to addressing MDGs 4 and 5, said that UNICEF and UNFPA are working closely together. However, there are also problems with national health ministries being able to link these effectively. With regard to training and retention of skilled health professionals, there is the push factor: what incentives can governments provide for better working conditions, especially in difficult rural areas? Donors can also help in this regard, such as through a code of conduct. But migration is difficult to stop.

The Executive Director of **UNICEF** indicated that trafficking is part of UNICEF's programme on protection issues, working with other organizations. The Board is looking more into the issue at its September session. With regard to Chernobyl, the impact on children were considered by UNICEF.

The food crisis is not only a question of lack of access to food, but also of food insecurity (malnutrition), which needs to be addressed. In this regard, UNICEF has developed food kits (ready to use therapeutic foods).

There is a need to build up investment in agriculture systems in a number of areas that have been neglected: extension systems, seed development, storage, and other infrastructure. A number of issues which impede agricultural investment such as land ownership issues (vis-à-vis mechanization) need to be considered.

The Administrator of **UNDP** said that the link between the food and fuel crises is a strong link. More than half of the increase in food prices is due to bio-fuel production and the subsidy it receives (as incentive). However, not all sources of bio-fuels (non-crops) have food-price impacts. The Administrator stressed the misconception that the rapid growth in China and India which increased the demand for food, was the origin of the crisis. Growth in these countries was also accompanied by increases in food supply and productivity, and they are net exporters of many food items. In the case of Africa, there has been underinvestment in agriculture.

With regard to overall strategy for agriculture, UNDP as the manager of the Resident Coordinator system will play a role in the analysis of agriculture in national development.

The issue of migration and human resource skills is a complicated one. There can be infrastructure (hospitals, equipment) but no skilled personnel. There is strong demand in rich countries which in some African countries draws out 75% of medical professionals into migration. Developing countries need to develop migration strategies and policies providing incentives for 'brain circulation'. There is also migration taking place internally within and between developing countries. It should be noted that remittances from migrants also constitute benefits. There should be an analysis of the issue of 'brain drain and circulation' and a holistic approach in looking at the issues.

In concluding the session, the Moderator noted the strategies and action programmes in place and being implemented and the record of achievements by the funds and programmes and the country teams. However, it is clear that there is need to re-double the efforts in order to reach the MDGs.