

UNITED NATIONS



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**Remarks by  
Mr. Sha Zukang  
UNDER-SECRETARY-GENERAL FOR ECONOMIC AND SOCIAL AFFAIRS  
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Operational Activities Segment  
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Mr. Vice-President, Ambassador Cujba,  
Excellencies,  
Distinguished delegates,  
Ladies and Gentlemen,

It is my pleasure to join you, Mr. Vice-President, in opening this year's operational activities segment of the Council.

I would also like to acknowledge the participation today of the Ministers and heads of national development cooperation ministries and organizations. We are breaking new ground this year by including a larger number of you in our deliberations. This change is aimed at improving the governance of the operational activities segment and it comes as a direct response to a recommendation from the Secretary-General made earlier this year.

I am encouraged to see the increased attendance particularly because in just two months, Heads of State and Government will meet here to take stock of ten years of work toward achieving the Millennium Development Goals. We need your support as we drive momentum for the September summit and for reaching the Goals by the 2015 deadline.

With that backdrop, allow me to introduce four reports of the Secretary General that present how the UN system is responding to development needs.

The first report presents overall progress in implementing the 2007 General Assembly review of operational activities. It confirms that the United Nations development system remains a trusted partner in programme countries. It provides unique support to national needs in a wide range of ways - from policy analysis related to the achievement of MDGs to capacity development.

The UN system has also made progress in mainstreaming South-South cooperation, in aligning the United Nations Development Assistance Frameworks with national planning processes, and in the areas of gender equality and women's empowerment.

In terms of challenges, the report shows that we need to review the capacities of some UN organizations, especially non-resident agencies, to meet the increasing demands for services. In crisis and post-crisis countries, we need to improve inter-agency staff mobility and deploy qualified staff more rapidly.

The second report presents a detailed description of the successes and challenges of the resident coordinator (RC) system. Notable achievements include improved coherence in country programming and the strengthening of UNDAF mechanisms. On the other hand, the ability of United Nations organizations to further coordinate their programmes is strained. Financial contributions from UN organizations to the resident coordinator system remain limited and this problem needs redressing.

The third report covers actions by the UN executive board and governing bodies on harmonization of business practices. It notes that significant agreements have emerged within the United Nations Development Group that directly impact country-level operations in terms of joint funding, common procurement, and common information and communications technology services. The report also shows that reforms in management practices are now recognized as an important driving force in ensuring effective programming.

Ladies and Gentlemen,

The fourth and final report reviews trends in the funding of the United Nations development system. On the positive side, total contributions received by the UN system in 2008 increased by 10 per cent over 2007 resulting in the highest amount ever at \$22.2 billion.

On the other hand, the report highlights that the UN continues to rely on a very narrow donor base with over half of its core budget funded by 10 countries. Furthermore, between 1993 and 2008, the imbalance between core and non-core funding increased significantly. Because non-core funds are earmarked for specific activities this imbalance has posed difficulties such as fragmented resource flows and inefficiency in terms of transaction costs.

The report underscores the need to look more closely at non-core resources and to use new mechanisms that enable us to use them more efficiently. In this time of fiscal austerity, we must be aware of all available ways to utilize financial resources. Please examine this recommendation and the others in the report that address challenges in our funding architecture. The importance of improving and streamlining our funding system is so crucial to every other step we take in our development agenda.

Excellencies,

The reports before you today provide rich sources of information to support your deliberations. They include examples of what has worked well in advancing our

development goals, and they highlight areas where we still have a long haul ahead of us. I trust that you will examine them closely. The only way to move ahead with success is to learn from the data and research collected from our past work.

Thank you for your participation here today. I wish you fruitful deliberations.

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