

UNITED NATIONS



NATIONS UNIES

**OPENING REMARKS
BY
SHA ZUKANG
UNDER SECRETARY-GENERAL FOR ECONOMIC AND SOCIAL AFFAIRS
and SECRETARY-GENERAL OF THE 2012 UN CONFERENCE
ON SUSTAINABLE DEVELOPMENT (Rio+20)**

ECOSOC Operational Activities Segment

New York, 13 July 2012

His Excellency, Ambassador Nassir Abdulaziz Al-Nasser, President of the General Assembly,
His Excellency, Ambassador Desra Percaya, Vice President of ECOSOC,
Distinguished delegates,
Ladies and Gentlemen,

I am delighted to join you at the opening of the Operational Activities Segment.

Your deliberations over the next three days are an important opportunity to take stock of the progress in the preparations for the quadrennial comprehensive policy review (also known as QCPR), of UN operational activities for development, conducted under the General Assembly.

The Department of Economic and Social Affairs has been entrusted to support the QCPR process by providing objective and evidence-based analysis and through an effective consultative process.

The two reports of the Secretary-General before you on operational activities and on funding, respectively, have benefited from global surveys, stakeholder consultations, country missions as well as analytical studies.

I would like to take this opportunity to share with you some of the findings of these two reports.

The Secretary-General's report on QCPR implementation notes that significant progress has been made in enhancing the coherence of the UN development system, since the last comprehensive policy review in 2007.

Programme country governments rank the support provided by the UN development system at the country level higher than that of the international financial institutions (IFIs) and bilateral donors.

This generally favourable assessment, however, should not make us complacent.

In the broader development cooperation environment, there is need for reflection at the global level on the longer-term strategic repositioning of the UN development system in global development cooperation.

Such strategic repositioning would have implications for the UN development system with regard to alignment of functions, funding, capacity, partnerships, organizational arrangements, and governance.

The report also points out that addressing global and national challenges such as those relating to sustainable development will increasingly require the UN development system to possess the capacity to work-as-one.

This capacity for coordinated operations and coherence is likely to be critical for the future role of the UN development system in global development cooperation.

Excellencies,

Let me now turn to the issue of coordination of the UN development system.

The UN development system depends primarily on the functioning of three key coordination processes: the Resident Coordinator system; the UN Development Assistance Framework – or the UNDAF process; and common business operations at the country level.

The Resident Coordinator system is a key driver of UN coherence and effectiveness at the country level. But, the performance of the Resident Coordinator system, for a long time, has been uneven across programme countries.

Survey results show strong support from programme country governments for strengthening the coordination role of the Resident Coordinator. Enhancing this coordination role is essential if Member States decide to strengthen horizontal accountability in the UN development system.

Regarding the UNDAF, Programme country governments and Resident Coordinators generally view the UNDAF more favourably than the UN country team members.

For governments, the UNDAF is a key instrument to promote UN coherence in programme countries.

At the same time, governments have made it clear, through the survey that they want to see the coherence fostered through the development of the UNDAF carried to the implementation stage.

The Secretary-General's report reveals that there is overwhelming support among programme country governments for major simplification and harmonization of programming instruments and processes.

Regarding simplification and harmonization of business practices, some progress has been made in the past review cycle.

But lasting efficiency gains and cost savings are yet to be more broadly demonstrated.

The Secretary-General's report argues that further progress in the area of simplification and harmonization of business practices should be accorded high priority in the next QCPR cycle.

The Secretary-General's report has also important findings in the area of development effectiveness. The report points out, for example, that capacity development carried out by the UN system has often not met the expectations of programme country governments, especially with regard to the use of national systems.

The report also underscores the importance of strengthening independent system-wide evaluation of UN operational activities at the country level, to foster coherence and accountability for UN-wide results.

Finally, I want to turn to the important issue of funding, the lifeblood of the UN development system.

The Secretary-General's report on funding shows that long-term funding trends for UN operational activities have been positive, but that almost all the growth has been in non-core resources, which tend to be highly fragmented.

The analysis also highlights the following:

1. the share of core funding continues to decline;
2. core funding subsidizes the programme support and management costs of non-core funding;
3. burden-sharing among donors remains highly uneven; and
4. predictability of resources flows has not improved since the review of operational activities in 2007.

The huge mismatch in the growth rates of core and non-core funding over the past 15 years is one of the key challenges facing the UN development system at this juncture, in my view.

It poses risks for the UN development system in terms of its ability to deliver on intergovernmental mandates to have sufficient capacity for core programming on the ground, as well as for the independence and neutrality of the organization in development cooperation.

Finally, I note the appreciation of Member States with improvements introduced in statistics, analysis and reporting on funding for UN operational activities for development.

I want to use this opportunity to assure you that the Department is committed to continued improvements in this area as a contribution to informed intergovernmental dialogue on UN operational activities for development.

Excellencies,

From the Rio+20 Conference to the recently concluded Development Cooperation Forum of ECOSOC, I have witnessed high expectations of stakeholders for the UN development system.

I am confident that your deliberations during the Operational Activities Segment and the QCPR this fall will provide the necessary impetus to make those high expectations a reality.

I look forward to a productive discussion at this Segment. Thank you.
