### United Nations Economic and Social Council Panel on FUNDING OF THE UNITED NATIONS DEVELOPMENT COOPERATION FOR THE PURSUIT OF THE INTERNATIONALLY AGREED DEVELOPMENT GOALS, INCLUDING THOSE CONTAINED IN THE MILLENIUM DECLARATION: ALTERNATIVE OPTIONS AND MODALITIES FOR FINANCING OPERATIONAL ACTIVITES FOR DEVELOPMENT OF THE UNITED NATIONS SYSTEM

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Statement delivered by

Hon. Prof. P. Anyang' Nyong'o Minister of Planning and National Development Kenya

#### Introduction

Mr. Chairman, The Moderator of the panel, Excellencies, Distinguished panelists and delegates, Ladies and Gentlemen

Allow me, Mr. Chairman, to first thank you and your team for putting together this panel so that we can discuss a subject which is not only timely, but also very important for member countries at a time when the UN is itself going through a period of soul searching regarding the reforms it needs to undertake so as to serve its members more effectively and efficiently.

Allow me also to refresh our memories on some of the key issues that were brought to our attention regarding the substantive discussions that we are going to hold today in your communication to us and in the Secretary General's report on "Funding options and modalities for financing operational activities for development of the United Nations system."

The current debate on the role of the UN system in development, you yourselves have observed Mr. Chairman, has focused on issues such as the future of the multilateralism, structure, functioning and financing of UN development cooperation as well as more coherent and coordinated way of operating at the country-level, increased effectiveness and efficiency, coherence, and achieving sustainable results in assisting program countries. In this regard it is important to strengthen the financial base of the UN, especially with regard to core funding, making it steady, predictable and adequate for operational purposes.

The Secretary General's report notes that "the funding requirements for the UN development system should flow from its role and effectiveness in contributing to genuine progress in implementing the United Nations development agenda, including MDGs. The program activities that it proposes to undertake should be justified in terms of their coherence with, and potential impact on the international as well as the national development objectives that it is called upon to serve." (para74).

The Secretary General goes on to say that "the funding of the UN development cooperation should be addressed as an integral part of the effort to maximize support to developing countries in achieving the UN development agenda. In this report, country-based, demand-driven approaches, rooted in national priorities, are advocated to quantify funding requirements, since such an approach is closely linked to the comparative advantage and unique characteristics of the UN system operational work." (para75).

The few comments that I intend to make, Mr. Chairman, will follow closely these concerns that the Secretary General and yourselves have expressed to us. I will be doing this, Mr. Chairman, in several capacities.

First, of course, in my capacity as the Minister of Planning and National Development in Kenya with a reasonably good grasp of what goes on in Africa being a member of the Steering Committee of NEPAD and participating in many such continental bodies.

But secondly, as an African intellectual or academic for close to 30 years, I have noted the Secretary General's observation, in paragraph 3 of his report that the UN system continues to be an important source of intellectual leadership on development. The extent to which the UN has done this in concert with African intellectuals in such bodies as the African Academy of Sciences, the Council for the Development of Social Science Research in Africa, the African Association of Political Science and many others will be of particular interest to me.

But thirdly and finally, Mr. Chairman, I worked briefly with the UN as a P4 in 1983/84 in the Under Secretary General's Office for Special Political Affairs, and I would be concerned whether the dead and lethargic bureaucracy that drove me out of the UN after 6 months of service is still there or not. If it is, then my verdict regarding enhancing funding for the UN would perhaps be rather harsh!

#### Question No. 1-Does the UN need funding?

My answer is yes. And it should be stable, predictable, adequate and long term core funding capable of ensuring a 10-year plan of activities so that the Secretariat personnel and operations are not held at ransom or kept on edge.

But funding should not be looked at simply as a supply side issue. It should also be analyzed in terms of how best to use resources already available; how to mobilize technical capacity available within the UN family of nations from both sides of the development divide. In this regard, I will argue that developing countries have a lot to give to the UN in terms of intellectual resources.

Universities and research institutes are there in our countries to be used by the UN, not simply in workshops where the brains of the academics and researchers are picked, but also in the following up UN programs and projects, looking into effectiveness of implementation, and contributing to the monitoring and evaluation exercises.

## Question no. 2- Under what circumstances should this funding be given?

Under circumstances where the UN is reformed to be a lean and keen organization, capable of delivering to member countries at the national level, and free of the heavy weight of bureaucratic dinosaurs that revel on reproducing rules and regulations rather than generating innovative and developmental thinking. The UN should develop fire power by capitalizing on its comparative advantage of galvanizing technical expertise at the national level, and mobilizing resources at the global level. In this regard, its service delivery agencies, ie UNDP, UNICEF, UNESCO, WHO, HABITAT, UNEP etc should focus on service delivery at the country level, building capacity at this level and using it adequately and effectively.

The UN should not commit the same travesty-as some other internationals and bilaterals do-of sending "experts" from headquarters who parachute into countries to provide "instant cups of coffee" types of advice, and seeking information which can be obtained in the internet and secured through proper "googling." This kind of so called technical assistance only leads to waste of resources as well as deepening of underdevelopment in the developing countries.

In the case of Africa, the UN can make effective use of Africans living abroad when it comes to seeking the services of experts. These people, if properly recruited, are quite often more knowledgeable of the home environment, more culturally sensitive to local issues and may end up transferring their skills back to Africa on a more permanent basis as the experience of India has shown.

# Question 3 – Who should provide UN with resources?

A good part of core funding will, quite rightly so, come from the donor countries. This should be the long term core funding referred to above. But member countries will also make their regular contributions to the UN and its agencies. This must be done regularly and in accordance with agreed procedure. Where member countries give their services in kind, this should be monetized and accounted for appropriately.

But it must also be understood that member countries also contribute in terms of intellectual capital in terms of designing, thinking through, evaluating and implementing

UN programs nationally and globally. When the UN says it has provided intellectual leadership, I hope it does not mean that this leadership has come solely from the personnel at the Secretariat or in the agencies. This is a leadership that is accumulated through the many conferences and workshops the UN organizes across the globe.

The MDGs, for example, are not a new idea. They go back to the debates we used to have in the seventies and eighties on "the New International Economic Order" and so on. The African Commission that has just produced a report that has shaped the debates at the G8 has its predecessor in the African Academy of Sciences and the UN University Special Commission on Africa of the late eighties.

But this accumulation of intellectual capital is quite often undermined by the over dependence on "parachuting experts" or technical assistance who seem to have tremendous say on "policy choices" when programs are being implemented in developing countries. The UN should help in galvanizing intellectual capital in developing countries as part and parcel of capacity building and cost reduction.

## **Question 4 – How should UN resources be used?**

Obviously the resources should not be used to reproduce a bloated, reform deficient, and gerontocracy loving bureaucracy. But rather the resources should be used by an efficient and performance oriented system that will generate ideas and galvanize capacity to eradicate poverty in developing countries. It must be a result oriented system.

There seems to be an emerging populist attitude that where governments are weak resources should be channeled to NGOs as opposed to the governments. This is quite often a ploy for the "assistance providers" putting food on the table of northern NGOs so that ODA can be channeled back to the north in unforgivable proportions. The UN, as a body created by governments, must help build the capacity of governments to use resources accountably, effectively and productively in eradicating poverty. This is not the time to by-pass governments in favor of NGOs. This is the time to build capacity in both arenas.

### **Question 5 – Can the UN raise enough resources to help meet the MDGs?**

Yes. The UN can if it works hand in hand with those who provide ODA and if it helps in setting the standards of providing ODA as well as using it to eradicate poverty. For example, the MDG villages that the Millenium Secretariat has developed across the globe, one of them in Bar Sauri in Kenya. The UN is here demonstrating to the world what resources are needed at the grass-root level to eradicate poverty. The UN should pursue this experiment to its logical conclusion by calling upon all concerned to see how the Bar Sauri experiment can be universalized in eradicating poverty.

This is both an exercise in intellectual leadership as well as in capacity building. At Bar Sauri all UN agencies are involved: UNICEF for education and child mortality; WHO for health; UNEP for environment; FAO for food self sufficiency and nutrition and so on.

## Conclusion

Finally Mr. Chairman, I wish to request that these discussions be carried further, perhaps through the auspices of the United Nations University, so that more ideas can be brought to bear, as questions may not end with the conclusion of the ECOSOC deliberations.

Thank you.