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**Statement
by
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**Introduction of the Report of the Secretary-General
2012 DEVELOPMENT COOPERATION**

New York, 5 July 2012

President Koterec,
Mr. Secretary-General,
Distinguished Delegates,
Ladies and Gentlemen,

The third Development Cooperation Forum is taking place at a critical moment. With the impact of world financial and economic crisis unabated, prospects for international development cooperation remain uncertain.

We are here to recommitment to global development partnership, rethink current practices and jointly reenergize global development cooperation.

Today, we are faced with a host of new and emerging global challenges, challenges that are often inter-linked and cut cross sectors, such as inequality, climate change, food insecurity and economic slowdown.

These shifts and challenges require engagement among all development stakeholders, as well as a strong, collective response.

I therefore count on you to actively engage in the sessions and policy dialogues ahead of us. Your ideas and suggestions can have a far-reaching impact on how we reinvigorate international cooperation for sustainable development beyond today and tomorrow.

To contribute to your discussions, allow me to share with you some key findings of the Secretary-General's report before the Council.

The report covers a broad array of complex issues, including:

- development finance,
- policy coherence,

- South-South cooperation,
- accountability and effectiveness of development cooperation, and
- sustainable development.

It builds on recommendations that emerged from DCF preparatory consultations in Bamako, Luxembourg, New York, and Brisbane.

Now, let me briefly introduce some of the main findings and recommendations.

First, in spite of renewed commitment to the Millennium Development Goals, there are wide gaps in advancing MDG 8 on the global partnership for development.

Last year, official development assistance declined in real terms. The gap between what was promised and what is being delivered has widened further. Against the 0.7 per cent UN ODA target, the gap now stands at \$167 billion per year.

Only a few development partners have honoured their commitments and maintained their ODA levels thus far. They have set an example for other development partners. It is indeed a longstanding challenge – how more development partners can step up their efforts to eventually meet the UN ODA target.

On the debt front, low-income countries have received debt relief under the heavily-indebted poor country (HIPC) initiative. Nonetheless, at present, seven of the 32 countries that received debt relief remain at high risk of debt distress and another twelve are at moderate risk. As the HIPC initiative has come to an end, we have to consider new ways to help countries in severe debt distress and facilitate orderly debt workout mechanisms.

Second, coordination among development partners remains far from satisfactory. There is a strong need for ensuring that development assistance be aligned with the national priorities of partner countries.

Surely, the call for greater policy coherence is not new. Yet it remains a key challenge. How can we change that?

Third, the report of the Secretary-General calls on us to harness the benefits of South-South and triangular cooperation.

South-South cooperation has accumulated experiences and best practices. At Rio, Member States recognized the importance and different history and particularities of South-South cooperation and stressed that South-South cooperation should be seen as an expression of solidarity and cooperation between countries, based on their shared experiences and objectives. They also recognized that South-South cooperation complements rather than substitutes for North-South cooperation.

Triangular cooperation, too, should be scaled up to combine the comparative strengths of Northern funding and Southern expertise.

Both approaches should be demand-driven, transparent and cognizant of the specific needs of partner countries, especially related to investment in sustainable infrastructure and productive capacity.

Fourth, more needs to be done in terms of allocation and impact of development cooperation, as well as mutual accountability between stakeholders.

The report suggests that development cooperation should be based on 3-5 year disbursement forecasts to improve predictability.

Furthermore, development partners need to take part in mutual accountability and transparency initiatives.

Finally, sustainable development is a focus area of the Secretary-General's report.

The recently concluded Rio+20 conference has generated new momentum for advancing sustainable development.

At Rio, Member States decided to launch a process to develop a set of Sustainable Development Goals. The SDGs will build upon the MDGs and converge with the post-2015 development agenda.

Rio+20 also identified a green economy, adapted to national circumstance, as one of the important tools for achieving sustainable development and poverty eradication.

Rio+20 also adopted decisions on strengthening institutions for sustainable development and on sectoral priorities and cross-cutting issues.

Putting sustainable development at the heart of a future UN development agenda is an inexorable trend. It means we will have to evolve. Development cooperation will need to be designed and delivered to meet the needs of sustainable development. The DCF in particular, will have an important role to play in this regard.

At the Rio+20 conference, Heads of State and Government also recommitted themselves to strengthening ECOSOC. They recognized ECOSOC's key role in achieving a balanced integration of the three dimensions of sustainable development.

During its next phase, the DCF can make an important contribution to a "Sustainable Development Financing Strategy" to be presented to the General Assembly for decision in 2014.

Ladies and Gentlemen,

The report of the Secretary-General covers a great number of issues, all of which cannot be detailed here. It will be followed by another important publication later this year, to which the President already referred: the International Development Cooperation Report.

As we delve into our discussions, I urge you to keep in mind that your input and suggestions will contribute to shaping a reinvigorated development cooperation agenda.

You will play a decisive role in reenergizing the future of development cooperation... and responding to a world in flux.

Thank you and I wish you a successful Forum.
