

UNITED NATIONS



NATIONS UNIES

**OPENING STATEMENT  
BY  
MR. SHA ZUKANG  
UNDER-SECRETARY-GENERAL FOR ECONOMIC AND SOCIAL AFFAIRS  
PREPARATORY MEETING  
2010 DEVELOPMENT COOPERATION FORUM**

**Helsinki, 3 June 2010, 8:45 am**

***“Coherent Development Cooperation:  
Maximizing Impact in a Changing Environment”***

Excellencies,  
Ladies and Gentlemen,

I am happy to join H.E. Dr. Paavo Väyrynen, Minister for Trade and Development of Finland, in welcoming you to this two-day symposium.

I would like to thank the Government of Finland for making this high-level Symposium possible.

Meeting in Helsinki augurs well for the success of the Development Cooperation Forum. New ground has been broken here in the past. Forward-looking agreements have emerged under difficult circumstances. I am sure this high-level symposium on development cooperation will have similar consensus-building results.

We have come together to exchange ideas and best practices on how we, the international community, can help improve the delivery of aid to the vulnerable - those who have been left behind and those who are bearing the brunt of the multiple crises.

That is the basic principle behind the creation of the Development Cooperation Forum – that we examine how we deliver aid, how we can

communicate better with development partners and how we can improve the strategies and policies for development cooperation.

What we learn from this symposium will feed into the biennial Forum meeting later this month. Your feedback on what works and what does not in aid delivery is vital to our ongoing efforts to build stronger accountability and partnership in development cooperation. That was the overarching objective when we started the preparation for the 2010 DCF. Last November in Vienna we focused on mutual accountability and South-South cooperation and at this Forum we hope to move further ahead on enhancing coherence.

Ladies and gentlemen,

It is important to take stock of the world economic stage before discussions on aid delivery. As you know, an economic recovery has begun, but it is uneven. Growth is rapid in emerging economies, but it remains fragile in the most advanced economies. The Greek crisis has morphed from a fiscal crisis in one country to a regional crisis for the euro zone.

The question that looms large amid the unfolding crisis is this: when the rich begin to feel “poor”, will they still keep their promise on development cooperation.

Will this be a difficult time, therefore, for governments and civil society stakeholders to prioritize aid delivery?

Furthermore, new, competing demands for aid are with us now. Crisis-related interventions and climate change financing are additional burdens on already-limited resources. Every dollar of aid has to be stretched further than ever before.

There has been some progress, however, in aid-related goals. Official Development Assistance (ODA), for example, has increased in the last decade. So has the cancellation of external debt in the poorest countries.

According to DAC/OECD, all DAC member countries confirmed last year that they would meet their existing official development assistance (ODA) commitments, especially to Africa, although some donors have deferred their original pledges. DAC members also stated that they would resist pressure to tie aid and would work with their own governments to improve policy coherence.

Beyond these improvements, there are other ways to improve aid-delivery. Policy coherence is a central challenge – within countries and between countries.

Aid delivery needs to be better aligned with national priorities. Coordinating efforts with foundations and understanding their operations is also an area we need to master. And bringing gender-equitable strategies to life still requires much work.

And, ladies and gentlemen, we need to focus on accountability measures for recipient countries and donor countries. All stakeholders need to prove their ability to follow through on commitments.

I would like to briefly touch on these integral steps that need to be taken – and which constitute the main issues of this symposium.

First, policy coherence.

I would like to highlight one particular area of policy coherence, or rather, incoherence. It relates to developed countries and the lack of synthesis between their aid and other sector policies. For instance, we have seen that in some cases, national debt, trade and investment policies actually undermine aid policies, reducing the impact of aid delivery.

Some good work, however, is being done in this area by the OECD and other organizations. The European Union, for example, has formulated a concept of Policy Coherence for Development (PCD). Since 2005, the EU has worked on coherence procedures and instruments in 12 policy areas. A growing number of Member States have officially committed themselves to PCD as well.

Excellencies, how can your governments make use of the Policy Coherence for Development initiative? I hope that today's first session on this topic will prompt new ideas and directions for you.

A second key issue at this symposium concerns the newer players in the private aid sphere. While religious organizations and non-governmental organizations have long been involved in aid-delivery, their numbers have risen. Foundations, other types of non-profits and private philanthropists have also joined the mix. These new groups provide a growing share of aid. A UN study found that flows from voluntary contributions and foundations has risen sharply, from 7 billion in 2000 to 12 billion in 2005 – which amounted to 11 per cent of ODA.

Clearly, these are serious players that can help us achieve our goals, including the MDGs.

These welcome actors, however, need to be better integrated into the overall development cooperation architecture to enhance coherence. As you participate in today's second session, please consider how the activities of these organizations could be better aligned with national priorities. Where and how can you foster more partnerships between them and government initiatives? Do you know where efforts are duplicated in your country and region? How can you help eliminate such duplication?

Dear participants,

A third important issue that begs our attention relates to ensuring that men and women benefit equally from aid delivery. This is a complex goal. It involves long-term work at local, national and international levels.

What do we mean by bringing gender equality to development aid? We mean embedding women's empowerment strategies in national development strategies. We mean avoiding conditionalities that are linked to gender-specific goals. We are talking about required training in gender-sensitive macroeconomic analysis so that gender mainstreaming and budgeting and reporting are carried out.

Progress has been too slow in this area. Please share your experiences and good practices at this symposium. In the preparation of DCF and in the lead up to the MDG Summit, we need input on all aspects of this sphere - from improvements in data collection and statistical analysis to management practices.

Finally, ladies and gentlemen,

We need to evaluate more thoroughly how aid has helped recipients. We need to know more specific details on what has worked and what has not – from donor and recipient country perspectives.

In many cases we are not able to hold donors to their current untied aid commitments. Recipient countries remain concerned over conditionalities. The DCF Symposium in Vienna last November concluded that mutual accountability mechanisms must be improved. At this session you will see the results of a recent report on the status of mutual accountability mechanisms at all levels, based on a survey conducted by DESA and the UN Development Programme. I hope the report will prompt dynamic dialogue among you on how to improve transparency and accountability.

Excellencies,  
Ladies and gentlemen,

Thank you for your individual efforts so far in advancing development cooperation.

And thank you for attending this 2-day high-level Symposium. With the DCF Forum fast approaching, followed by the MDG Summit in September, your attendance, active participation and commitment to development cooperation issues are paramount.

Sound strategies for improved cooperation are also crucial for successful sustainable development initiatives. The UN is galvanizing international attention and action on sustainable development – with its strong emphasis on the interconnected three pillars of economic and social development and environmental protection. In 2012 the UN will convene a global summit on sustainable development in Brazil. I have been designated as the Secretary-General of the conference. Let me take this opportunity to ask that you consider how development cooperation challenges can be carried out in sustainable ways, integrating economic and social development with environmental protection.

I look forward to frank and engaging discussions in the next two days.

\*\*\*\*\*