



**Statement by Mrs. Ruchi Ghanashyam, Minister, on Agenda Item 12:
Resource allocation system: Review of the system for the allocation of
UNFPA resources to country programmes in the First Regular Session
2005 of the Executive Board of UNDP/UNFPA (New York – January 20-
28, 2005) on 25 January 2005**

Madam President,

We would like to congratulate you on your well deserved election along with the other members of the Bureau. We also thank the outgoing members of the Bureau. We also take the opportunity to congratulate the Executive Director.

We thank the Executive Director for the detailed and comprehensive report presented before us on the review of the system for the allocation of UNFPA resources to country programmes. The report is well structured and comprehensive providing, both background information as well as proposals for the future.

Madam President,

We have noted that the current UNFPA resource allocation system, basically allocates shares of country programme resources to groups of countries based on how far they are from reaching the goals of the International Conference on Population and Development (ICPD) and ICPD+5 targets. We also note that the resource allocation system has enabled the Fund to focus its limited resources in countries that have the greatest need to address priority issues in the areas of population, reproductive health and gender. We agree with the Executive Director that a dynamic system for resource allocation should remain relevant to the substantive priorities and policy perspective of its time. We would like to emphasize, though, that the objective behind the resource allocation system should be to continue addressing the needs of countries that have the greatest requirement to address priority issues in the areas of population reproductive health.

From this perspective, we recognize UNFPA's continued focusing of its limited resources in the highest priority category A and its proposal that the resource share for group A be increased slightly to address urgent need and help support capacity building, particularly in the Least Developed Countries in group A. This system is consistent with the basic principles (c), (d) and (e) of the resource allocation system as set out in paragraph 19 of the report.

Madam President,

We also note that the performance of the system would have been even more pronounced had it not been for the fact that during the last decade UNFPA resources have not kept pace with either the growing needs of developing countries or with the projected levels in required resources for the Fund. We also note with concern that on account of the resource shortfalls, especially during 1998 – 2002, the average annual expenditures for country programmes have successively declined from around \$184 million in 1995 to \$158 million during 1996 – 2000, and finally to \$153 million during 2001 – 2003. While we have noted that the Fund's recent trends in core resources are encouraging, we agree with the Executive Director that increased core resources are necessary to address the growing needs of and build capacities in group A countries and, at the same time, to address the priority needs of other countries.

Thank you, Madam President.

[BACK TO TABLE OF CONTENTS](#)