



STATEMENT BY MR. NIRUPAM SEN, PERMANENT REPRESENTATIVE, AT
THE INFORMAL OPEN CONSULTATIONS ON ASPECTS OF SYSTEMWIDE
COHERENCE DEALING WITH GOVERNANCE ON APRIL 17, 2008

Distinguished Co-Chairs,

We would like to thank you for organising the series of open consultations on the report of the High Level Panel on UN's System-wide Coherence as a component of the intergovernmental process to consider its recommendations. My delegation associates itself with the statement of the Joint Coordination Committee of G-77 and NAM.

The overarching objective of all development cooperation is the elimination of poverty. This is not a new battle. It has been on for some time and although much remains to be done, we often forget that much has been achieved in the developing world. It is in the light of this considerable experience that has accrued in these battles that we make our remarks.

A primary concern of developing countries remains that the current discussion is highly selective. It has the effect, whether intended or unintended, of exacerbating distortions in the global development agenda.

Successful large-scale poverty eradication efforts have been complex and multi-dimensional exercises. It is difficult to pinpoint all the reasons for their success but an obsession with management techniques has not been one of them. We believe that the current discussions on efforts to enhance the efficiency and effectiveness of the UN system run the danger of missing this point. We run the

risk of making our agenda hostage to structural objectives that remain nebulous. The means cannot become more important than the end.

At the level of the Secretariat and Funds and Programmes, the panel has recommended the creation of a Chief Executives Board and creation of a Development Policy and Operations Group to improve coordination. The CEB is already functioning and, in other debates, member states have said that it should not try to usurp the prerogatives of member states. In short, it has been a mixed blessing. We should avoid any next step that would simply be a mixture without the blessing.

Distinguished Co-chairs,

I suspect that the difficulty in agreeing on systemwide coherence is because we do not agree on the problem and cannot reconcile conflicting interests. Articles 57, 58, 63 and 64 of the Charter are unambiguous on the UN's leadership role vis-à-vis all specialised agencies including IMF and World Bank. The UN did exercise such a role from 1950s to the 1970s. Issues like GSP, SDRs, Compensatory Financing, Supplementary Financing were all first debated in the UN and then followed up in the BWIs. All vital functions have been progressively hived off and taken over by the BWIs. Incidentally, the experience of many African and Latin American countries, the Asian Economic Crisis and now the current financial crisis shows the failure of BWIs. We have seen the cult of debt finance and seen financial speculations crowding out investment while the governance of the BWIs merely watched. Are we agreed on restoring the economic centrality of the UN and ECOSOC? The American Nobel Prize winning economist Stiglitz, a member of a former US President's Economic Advisory Council has suggested a periodic audit of BWIs by ECOSOC, hardly a radical suggestion. Nevertheless we could not agree on this or on stronger and clearer language in A/61/16 on strengthening ECOSOC. We cannot even agree on a broader interpretation of the language adopted. First let us agree on this and see if the UN or ECOSOC, can really exercise a supervisory role. After all we already have the Development Cooperation Forum and the Annual Ministerial Review. Only after that can we really discuss the issue of a Global Leaders' Forum.

The Report speaks of updating mandates and relationships with BWIs. Let us look at the Association Agreement of 16th August 1947 with the World Bank, squarely based on Article 57 and 63 of the Charter (the Agreement specifically refers to these). Article IV (para3) of the Agreement says that the UN should

refrain from making recommendations only on particular loans and their terms and conditions. But, and I quote, “the Bank recognises that the United Nations and its organs may appropriately make recommendations with respect to the technical aspects of reconstruction or development plans, programmes or projects”. Has the UN or ECOSOC exercised this right? We are unable to do what we are mandated to do and we are trying to do something that is of doubtful provenance.

Distinguished Co-chairs,

For the UN to fulfil its role it requires core funding. One of the reasons for the emasculation of the UN is the voluntarisation of funding. That is one example why we have to take a decision on the entire package as a whole and not on parts. This is clearly a conceptual and operational necessity and not just a G-77 negotiating tactic. Similarly, there are other outward linkages. An ECOSOC that can exercise a meaningful and effective role requires a strengthened DESA and hence the proposal on the development pillar to be decided on by the Fifth Committee.

Distinguished Co-chairs,

Instead of going on discussing the Sustainable Development Board, we should modify the proposal radically because in its present form it leads to serious difficulties. Incremental progress on a joint mechanism which keeps the individual Boards fully functional seems optimal at present. We feel that plain speaking here is constructive since it can save a lot of time. Here let me say we share the EU’s emphasis on a participatory approach, accountability and decentralisation (and one may add pluralism to this list), all essential for democratic governance. The HLP’s recommendation on collapsing separate boards into the Sustainable Development Board would only lead to inefficiency, bureaucratism and an erosion of accountability. Each Executive Board has an important role to play in supervising the respective individual mandates of the Funds and Programmes. We would not like to compromise this supervisory and oversight role that member states have. We are doubtful also about the recommendation that the Board will have the discretion to reward well performing funds, programmes and specialised agencies and to fund

programmatic gaps in the system. Given the Board's limited membership and the limited time it has to supervise the performance of each agency, it would be difficult to avoid donor driven preferences and subjectivity in such rewards. What is puzzling about the Sustainable Development Board is that a decentralised model of governance is recommended to developing countries but a centralised one to the UN. Obviously, what is sauce for the goose, is not sauce for the gander. Geese had saved the Roman Empire. It would take more than geese to save the Sustainable Development Board.

In conclusion, I would like to reiterate the willingness of my delegation to constructively engage in this process of intergovernmental consideration.

Thank you.

[BACK TO TABLE OF CONTENTS](#)

