STATEMENT BY MR. A. KRISHNASWAMY, MEMBER OF PARLIAMENT AND MEMBER OF THE INDIAN DELEGATION, ON AGENDA ITEM 128: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 2008-2009 DEVELOPMENT ACCOUNT AT THE FIFTH COMMITTEE OF THE 62ND SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY ON OCTOBER 30, 2008

Mr. Chairman,

We thank Ms. Sharon Van Buerle, Director of the Programme Planning and Budget Division for presenting the report of the Secretary-General on the Development Account. We also thank the chairman of the Advisory Committee on Administrative and Budgetary Questions for introducing the Advisory Committee's relevant report. My Delegation associates itself with the Statement made by the Chair of the Group of 77.

Mr. Chairman,

The Development Account was established with the laudable objective of funding short-term, low cost technical cooperation projects for the benefit of multiple developing countries, in the priority programmatic areas, particularly as they relate to advancing the goals set out in the United Nations Millennium Declaration and in the outcomes of major UN conferences and international agreements. Its importance is further enhanced as, along with the Regular Programme of Technical Cooperation, the Development Account is t he only dedicated regular budget resource provided for t echnical cooperat ion. It has been reported by the Secretary-General that the Development Account activities have had a self-sustaining developmental impact, with multiplier effects. They complement rather than duplicate the work of the entities of the Executive Committee for Economic and Social Affairs and have helped them to achieve their programmatic priori ties. The result has been welcomed by the Executive Committee members. This is a ringing endorsement of the Development Account by the programme managers. The beneficiaries of the Account have always been highlighting its relevance and utility.

The Secretary-General's report on the implementation of the projects financed from the Development Account has also highlighted the progress made over the last ten years in

project design and implementation, particularly though development partnerships between the UN and outside institutions, use of local expertise and forging of collaborative effort s to multiply the effect s of specific activities. It has become an important low-cost innovative knowledge management and capacity-building too. Seventy percent of all completed Development Account projects have developed durable low-cost scalable solutions that generate multiplier effect s via distance learning modules, networks and adaptation of previously organized workshops and previously produced research & training material. Same could not be said for most other programmes in the Organization.

Mr. Chairman,

The Secretary-General in his introductory remarks on the proposed programme budget for t he biennium 2008-2009 had conveyed his intention of reinforcing South-South Cooperation. We welcome his initiatives on this matter. We also take this opportunity to suggest that the Development Account offers an existing, cost-effective source for financing South-South technical cooperation projects. We could make its resource utilization more efficient by a higher engagement of experts, locally or from other developing countries, who would not only be more cost effective but would also be better attuned to the needs and realities of the targeted beneficiaries. It is, therefore, puzzling that despite the evident effectiveness and relevance of the Development Account, there is reluctance to provide greater resource for it. It is inexplicable that we are stuck at a level of $16.48 million after t en years of its creation at the level of $12,7 million, given the original indicative target of $200 million by 2003, while the UN regular budget has gone up from $2.5 billion in 1998-1999 to $4.3 billion in 2008-2009.

Mr. Chairman,

While agreeing with those who advocate efficient resource utilization, fiscal prudence, strengthened oversight and accountability vis-à-vis the UN budget, we believe that the Development Account with its modest resources should not be made a scapegoat for fiscal profligacy in other parts of the Organization. The Account is an initiative deeply valued by the vast majority of the Member States who would like to see it further strengthened. In our opinion, the Account is largely achieving the goals that had been set for it. Resources allocated to the Account are comparatively modest and it was never meant to be the panacea for all the economic and social ills of the World. We also agree that measuring the Development Accounts long-term impact has its limitation given the nature of the short-term, low cost projects that the Account undertakes. Nonetheless, we would be willing to examine and rectify the reported shortcomings of the programme in order to further strengthen it.

Mr. Chairman,

Given the reported shortcomings in the funding mechanism for the Development Account largely due to the absence of a sys tem to identify the record efficiency gains in the Organization, we need to explore other sources of funding that the predicable

and sustainable, besides being adequate. In the context, the three options mentioned in Secretary-General's report A/62/466 seem unrealistic and not implementable. Fresh ideas are required. There is near unanimity the vast majority of Member States that the level of resources for the Development Account has to be increased in this regular budget and we would strive for that in the forthcoming negotiations.

Thanking you,

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