



**Statement of Kemal Derviş,
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On the occasion of
The General Assembly Debate: Partnerships towards achieving the Millennium
Development Goals: Tacking Stock, Moving Forward**

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Madam President,
Excellencies,
Distinguished Guests,
Ladies and Gentlemen,

Together you and the leaders of your countries agreed on a renewed framework for action in support of development as the world entered the 21st Century. Without doubt, the internationally agreed Millennium Declaration and the formulation of the Millennium Development Goals have made an unprecedented contribution to focusing attention and galvanizing global action around one of the greatest challenges of our time: the fight against poverty and the promotion of human development for all.

Growth of global GDP has never been as rapid as in the last few years – on average, worldwide. But the averages should not hide the fact that this is also an age of exploding inequalities, within and across countries. We should also not forget that while GDP growth is essential for human development, progress must be measured in all its dimensions and include indicators of health, education, environmental protection, as well as participation and empowerment for all. This is what the MDGs attempt to do and this is why measuring progress towards their achievement is so important.

I. Progress towards achieving the MDGs

As we approach the mid-point towards the 2015 horizon, it is encouraging to note that, on aggregate, there has been *some* real progress towards achieving the MDGs. However, as the Secretary-General noted in his address, progress towards meeting the MDGs is highly uneven both across and within regions.



No region is currently on track to meet **all** the MDGs by 2015. And efforts to meet Goal 8 - the global partnership for development – need to be decisively strengthened.

Some regions are better positioned to achieve the MDGs than others. Regions with a relatively good prospect include Northern Africa (which on current trends is likely to achieve most of the Goals except Goal 3 on promoting gender equality and empowering women, and Goal 5 on improving maternal health). Also relatively well positioned is Eastern Asia (which on present trends is likely to achieve four of the Goals, but **not** Goal 2 on achieving universal education, Goal 4 on reducing child mortality or Goal 6 on combating HIV/AIDS, malaria and other diseases). Latin America and the CIS region are also likely to achieve five of the goals, while South Eastern Asia is expected to reach only three.

The biggest problems on the road to the MDGs are experienced in Sub-Saharan Africa and Oceania where on current trends, none of the goals is likely to be met, on average. Southern Asia and Western Asia also are not advancing fast enough. Southern Asia is likely **only** to meet Goal 2 and Western Asia **only** Goal 6 by 2015.

We are of course referring here to current trends. These trends can still be altered in many cases with more resources combined with better policies. Political will for this is what is needed - by developing and developed countries alike.

II. Addressing the causes of insufficient progress on the MDGs

Lack of progress in so many regions is especially worrying given that growth in the global economy has never been as rapid as in recent years. However, economic growth has been far from inclusive. Many of the poorest countries have been left further behind and are today farther away economically from the richest countries than ever before. The ratio of the average income per capita between the 10 richest and 10 poorest countries in the world has been growing steadily since the onset of the industrial revolution (when it was three), but the growth in this ratio accelerated in the 1990s (from 34 in 1990 to 47 in 2001) and continued to increase up to 2005 (when it reached 50). So the richest ten countries are **50** times richer than the poorest ten countries. Income disparities **within** countries are also increasing almost everywhere.

While it is important to have rapid growth, growth alone will not eradicate poverty. The pattern and sources of growth are vitally important for poverty reduction and achieving the MDGs. Income distribution affects the effectiveness of growth in being able to lift people out of poverty.



Thus one consequence of growing inequality is that growth is becoming less pro-poor and higher growth rates are required now than before the 1990s to reduce poverty by a given amount. Broader economic performance considerations, such as the ability to generate productive and remunerative employment, also determine the extent to which economic growth can be pro-poor growth. I would like to state today that we cannot progress towards the MDGs if we do not build a world economy that generates “decent work” – something the ILO has rightly emphasized for many years.

Progress on achieving the MDGs is also being hindered by insufficient resources. While we should applaud the reversal in declining trends in ODA seen in the 1990s, the current allocation still betrays a lack of resources for those activities that could significantly impact the MDGs. In 2005 it is true that ODA rose by 31.4% in real terms over 2004. This represents 0.33% of the donor countries combined Gross National Income (GNI) in 2005, up from 0.26% in 2004, and close to the average of the 1980s before the decline in ODA started. However, much of this increase has been in the form of debt relief. Without debt relief, the real increase was a more modest 8.7%. Debt relief in 2005 was exceptional due to large grants awarded to Nigeria and Iraq. There is in fact a real danger that ODA in the coming two years will be below what was achieved in 2005.

Given that conflict is such a critical factor in hindering or reversing development in too many places, it is clear that we must also strengthen efforts to prevent conflict and help countries recover from violent conflict when it does occur. If we were to exclude countries in conflict or in immediate post-conflict situations from our calculations of progress, we would find much more impressive achievements towards the MDGs. We also know that economic and social factors are at the root of most conflicts. The UN cannot, therefore, be successful if our actions are confined to mediation. We must work on these root causes of conflict. We must help trigger economic recovery. And we must help countries make the recovery work for **all** their citizens.

III. The role of the United Nations in development

Faced with this array of challenges it is clear that now, more than ever, the United Nations has an integral part to play in working with countries on their development. Earlier this month, the High-Level Panel on UN System-wide Coherence presented its report to Secretary-General Kofi Annan. The Panel reaffirmed the UN’s role as an “indispensable force” in promoting development, highlighting both our normative and operational roles. It did, however, also point to the urgent need for further reforms if we are to truly fulfil our mandate in this area.



The need for strong, inclusive and effective multilateralism is much better recognized today than it was six years ago. But as we respond to the surge in demand for multilateralism, we must also recognize that multilateral approaches need to be combined with effective and results- oriented management to succeed.

The UN has become too fragmented and duplication of work has often reduced efficiency. We have to “deliver as one” in support of national strategies to a much greater degree, changing the way we operate at headquarters and at the country level.

Critical to these efforts is the UN’s central role in strengthening capacity in developing countries. Supporting capacity development to reduce poverty and inequality offers a powerful unifying theme for all the sectoral and specialized development agencies of the UN family. The UN does not provide finance for building infrastructure, or help countries deal with balance of payments crises like the multilateral and regional financial institutions. We do complement these efforts by focusing on the “software” of development. That is working with developing countries in the process of capacity development that aims at building strong national institutions and a governance framework that accelerates development and benefits all citizens.

The UN also has an important advocacy and catalytic role to play, around achieving Goal 8. In our interdependent world nations can only progress rapidly if the international environment is favourable to equitable worldwide development. From trade to climate change, from financial stability to the control of infectious disease, it is only by working very closely together that we can build human security and prosperity for all.

As we take stock of the real development progress that is being made, and the tremendous role the MDGs have played in mobilizing both resources and actions in the fight against poverty, it is clear that much more remains to be done. Let us not then grow weary and let us continue to focus our energies, resources and political will on this most urgent task.

Thank you.