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Speech for the Opening of the UNDP Oslo Governance Centre
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Ladies and gentlemen,
Friends and colleagues,

In the summer of 1950, the United Nations took a very important step. It launched an Expanded Program of Technical Assistance for Economic Development. The first pledging conference resulted in 54 Governments offering a total of about 20 million dollars for the year 1951. Mr. Trygve Lie, the first Secretary-General of the United Nations, was very optimistic when he said:

“Even though the financial base at the beginning will be a comparatively modest one, this programme can be developed into an effective instrument for progress towards higher standards of living and more security for both individuals and nations.”

There is a direct link between those events half a century ago and what we are witnessing here tonight. We are still building that “effective instrument for progress”.

I am very happy to be here at the official opening of the UNDP Centre on Democratic Governance.

My predecessor, Ms Anne Kristin Sydnes, and the administrator of UNDP, Mr. Mark Malloch Brown, stated in an article on the establishment of the centre that democratic governance in many countries is the missing link between the fight against poverty and successful poverty reduction.

Yesterday I launched our new Action Plan on Poverty Eradication. The development of this strategy and the aims it sets out, have been at the top of my agenda ever since I came back into office.

The Action Plan states clearly that the dialogue with developing countries must emphasize the importance of good governance and that assistance with capacity-building has high priority. We believe that countries with good governance should in general receive the lion's share of our aid.

In the Millennium Declaration the world leaders stated that the development goals could only be achieved through good – or democratic – governance. They furthermore pledged to spare no effort to promote democracy and strengthen the rule of law. These goals constitute our joint vision for the near future. We know most of the means we need to get us there, and we have a shared responsibility to make it happen.

The Secretary General has asked Mark Malloch Brown, as Administrator of UNDP and chair of UNDG, to take the lead as scorekeeper and campaign manager in the follow-up of the Millennium Development Goals. A better coach for such a vital task could not be found, and we encourage you to be vigilant and relentless in keeping the goals at the forefront of both national and international agendas. In this you have our full support.

At the launch of the Action Plan yesterday, I was accompanied by an old friend of us all, Mr. Amartya Sen. According to Mr. Sen:

“Access to those institutions and means that determine the structure of society and its allocative process is one of the abiding concerns of governance. Civil and political rights ... give people the opportunity to draw attention forcefully to general needs and to demand appropriate public action.”

Thus political rights are important not only for the fulfilment of needs; they are also crucial for the formulation of those needs.

This is what democratic governance is all about. There is a vital connection between open, democratic and accountable systems of governance and respect for human rights on the one hand, and the ability to achieve economic and social development on the other. They are mutually reinforcing.

We must recognize that the relations between the state, the private sector and civil society are key determinants of whether a nation is able to create and sustain equitable opportunities for all its people. Governance can no longer be considered a closed system. The state's task is to find a balance between taking advantage of globalization and providing a secure and stable social and economic domestic environment, particularly for the most vulnerable of all. Globalization is also placing governments under greater scrutiny, which may eventually lead to improved state conduct and more responsible economic policies.

If a government does not function effectively, scarce resources will be wasted. If it does not have legitimacy in the eyes of the people, it will not be able to achieve its goals. If it is unable to build national consensus around these

objectives, no external assistance can bring them about. If it is unable to create a strong social fabric, the country risks disintegration and chaos. Equally important, if people are not empowered to take responsibility for their own development within an enabling framework provided by the government, development will not be sustainable.

The importance of good governance is well documented. We have tried to address the problem in our development cooperation with an anti-corruption strategy and a democracy initiative. What we are doing now is to take this a step further and introduce a more comprehensive governance approach. This *governance initiative* includes three important factors:

Firstly, efforts to evaluate and improve the basic preconditions for good governance, such as education and competence, institutional development, systematic efforts to eradicate petty corruption and greed corruption, and a democratic framework and observance of basic rights.

Secondly, government reform. This includes initiatives to improve financial administration by the ministries of finance, the central banks and other government bodies. It includes reforms to improve the competence of government officials and increase their salaries. And it includes reforms to secure a constitutional state in which the rights and liberties of the inhabitants, independence of the courts, etc. are guaranteed, and governmental institutions are answerable at law for their actions.

Thirdly, the watchdog function. This includes initiatives to improve supervision and control by government bodies such as the Auditor General and the national assembly, and by non-governmental institutions, by parties and opposition, and not least the media and civil society.

In this context UNDP can play a significant role, and build on its reputation as an honest broker in all three fields. In many countries UNDP may find itself the main voice representing the international community. And that is why UNDP's work on governance is so important.

Much of this work is related directly or indirectly to democratization – supporting elections, helping to build legislatures and judiciary systems, and promoting the independence of the press, anti-corruption efforts, a strong civil society, transparency and accountability in the public administration, and human rights, just to mention a few prominent examples.

Today one in four UNDP programme countries are subject to natural disasters, riven by conflict or just emerging from violent upheavals. This indicates that we need to develop a more coherent and integrated approach to crisis management, conflict prevention and peace building, an approach that includes governance as a crucial component of development.

One of UNDP's most major achievements is that it has managed to highlight the critical importance of the recovery phase, and to bridge the gap that often opens up between humanitarian efforts and reconstruction work in post-crisis countries, such as in Afghanistan.

Now UNDP must focus on the interrelation between peace and development if it is to build a comprehensive peace together with the government concerned, in Afghanistan and in other post-conflict countries.

Norway has contributed substantially to UNDP since it was established in 1964. UNDP's main tasks, poverty eradication and promoting democratic governance, have been at the top of Norway's agenda for a long time.

Norway attaches great importance to UNDP, both as the development arm of the United Nations and as a development partner for programme countries. Our contribution to UNDP has continued to increase over the years, and today Norway is by far the largest donor per capita and the third largest donor in net contributions.

When I met UNDP's administrator Mark Malloch Brown in December – our first meeting since my return as minister – I told him that I found a new and changed UNDP. I know that the reform process over the past two years has been hard, but I think it was necessary, and I see that we are now harvesting the fruits of the process.

However, the most immediate and direct way to ensure that nations trust UNDP is for the organization to demonstrate a clear and improved impact at the field level. This is the yardstick by which UNDP should be measured, and this is where you – the programme officers and the Oslo Centre – will play a crucial role.

Norway has been a firm supporter of reform, both in the UN as a whole and in UNDP. One of the crucial elements of the reform process in UNDP has been the decentralization of the policy division from the headquarters in New York to the local and regional offices in the field. And this is also how the Oslo Centre came into being.

The principal objective of the UNDP's initiative for the establishment of the governance centre was to address the existing information and learning gaps in four substantive areas on UNDP's governance agenda. These are: preventing conflict and promoting peace through dialogue and consensus-building, human rights-based approaches to development, access to justice and security for all, and political empowerment.

We believe that the framework of knowledge management and learning on which the centre is based is a good one for achieving this purpose. It will create links within and between UNDP's country offices and with outside partners, which will enable it to fully tap the larger body of existing information on democratic governance.

There is a great potential for successful institutional twinning. In Norway and the other Nordic countries there are a number of international institutions renowned for their research and practical work in the field of governance, human rights and peace. However, the most interesting partners may be found outside the Western hemisphere, in the developing countries themselves, where they are closer to the challenges you are facing. They are the ones who know where the shoe pinches.

It is with pride and anticipation that I welcome UNDP to Norway and to Oslo. We are very pleased that UNDP chose to establish such an important part of its organization in Oslo. The office will provide a centre of excellence for UNDP as a whole, and we hope that some of this excellence will also rub off on us. We look forward to being your partner in this endeavour and we are confident that the centre will make its mark on the international debate on promoting democratic governance.

Human development is expanding the possibilities of the poor. The possibility of choosing a life free from poverty is greater in a country with democratic governance, where the social and political structures promote participation and ensure the just distribution of power and resources. We can have no better inspiration than this.

I know that the tasks ahead of you are challenging. Delivering high quality capacity-building and policy advice in this area will require many years of hard work. But if you succeed, the rewards will be great.

Mr. Trygve Lie, in the summer of 1950, put it like this:

“Hundreds of millions of human beings are anxiously awaiting the dawn of a new life. The interdependence of all continents and areas does in fact require a series of bold acts, beginning at the earliest possible moment and extending over many years, to replace the wide-spread misery and poverty of the under-developed area by a steadily increasing prosperity and improved social organization which, in turn, will prove of benefit to the whole world.”

I sincerely believe the UNDP represents the “effective instrument” that Trygve Lie had in mind to help achieve those goals.

I wish you the best of luck in this endeavour and I assure you that we will do our utmost to help the centre become a success. And now I am proud to declare the Oslo Governance Centre officially opened.

Thank you.