

74th session of the Working Party

Statement by DSG Reiter

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AS PREPARED FOR DELIVERY

Madame Chair,

Distinguished delegates,

Ladies and gentlemen,

Good morning.

It is my great pleasure to be with you today and initiate our dialogue on the work priorities of UNCTAD over the next three years.

This is the first time we meet to formally discuss programmatic issues after Nairobi. You did a great job there, and we are thankful for it. Now, the next step is to ensure we successfully translate your decisions into concrete actions in our work programme. This will be the main focus of our conversations over the next five days.

Before we move on to discuss actions, let me start by briefly outlining the work we do here related to the budgetary process of the United Nations Secretariat. This will help us to more strategically center our conversations on the parts that matter at this stage of the process. And, this is important to ensure that: 1) we properly reflect the Nairobi Maafikiano and 2) these changes feed appropriately into the budgetary process.

This session of the Working Party on the Strategic Framework and the Programme Budget has to focus on the Strategic Framework and, in the case of the programme budget, only on the programme not on the budget. The reason is that

UNCTAD's regular budget, as any other entity of the UN Secretariat, is discussed and agreed in New York, as mandated by you, Member States.

This reflects the fact that budget has to follow the programme of work, not the other way around. We need to get the programme of work right. And your deliberations here are very important in this respect.

The gist of your work this week is to assess whether the overall balance and prioritization of activities and objectives that we are proposing, appropriately reflect the mandate you gave us in the Nairobi Maafikiano. This is the overall homework we have both for the remainder of the 2016-2017 biennium and for 2018-2019.

How do these changes happen in practice?

For the current biennium, 2016-2017, we are constrained in terms of changes. The current budget was approved last December at the General Assembly and is being executed. This means that posts and budget lines have been allocated across subprogrammes, and there is no space for the Secretariat to redeploy those resources during this biennium.

This implies, that for this biennium, we can reformulate the focus of activities and outputs. However, we cannot do a major reorientation of the nature of the programme of work.

For the biennium 2018-2019, the story is different. There is more space to reorient the programme of work. This does not mean that there are no constraints. In fact, financial resources can be an important limitation.

We expect for the next biennium, a similar or lower level of resources than for 2016-2017. And we have taken this into account in the proposal we are presenting to you.

At this stage it is very important to consider that any redefinition, addition or reformulation of priorities needs to take into account their effects on other activities in the house. Since resources are limited, new outputs or more of some specific work might need to come at the expense of other outputs to liberate the corresponding resources.

To assist you in this process, programme managers responsible for the various subprogrammes will present to you the proposal in more detail, starting this afternoon. And you will also have various officers available on call throughout this week.

The documents before you are very high-level planning tools and follow a very standard format. Thus, it has not been possible for us to include more details that may have helped to further appreciate specific nuances and focus. For this reason, please take advantage of the presence of the respective programme managers to provide any additional information you may need.

Your work in this Working Party is very important for the budget exercise and us.

The work programme you approve this week will be the corner stone of our budget proposal. As of next week, we will then start working on how to organize our resources and deliver on the approved work programme. Thereafter, we will submit the budget proposal to the Secretary-General of the United Nations, by early January.

After our submission, the Secretary-General of the United Nations will adjust all the specific elements proposed by the different Departments of the Secretariat. He will likely make targeted and across-the-board adjustments to stay within the budget outline -that is the official planning figure- that will be approved by the General Assembly in the next few days.

At that point, a final budget proposal will be issued for the entire United Nations Secretariat, to be considered by the General Assembly.

Distinguished delegates,

As you can see our work this week is part of a larger process and a succession of steps that build on each other. We may not discuss dollar amounts, but will set the foundation that drives resource allocation.

Most importantly, once the United Nations final proposed programme budget is issued, and before it goes to the General Assembly, I will hold a briefing to inform you of the main elements of the Secretariat's proposal, as UNCTAD is concerned. In this way you will also be able to coordinate with your liaison with the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and with your representatives at the Fifth Committee.

Let me now turn to the substance, and start with the Intergovernmental Group of Experts—or IGE, as they are usually called.

You will notice in CRP2, 3 and 4 the introduction of the two IGEs mandated by the Nairobi Maafikiano: 1) on Financing for Development and 2) on E-Commerce and the Digital Economy.

You will also see that we have defined a reporting line and a duration for these IGEs. There were two reasons to do so: first, because we had to account on

this budget cycle for these two meetings; and second, because the timelines were such that we could not wait for the on-going discussions to finalize.

Let me clarify that by no means our proposal meant to prejudge the discussion that is taking place on the IGEs. Any decision that you make as to the duration and reporting line of the IGEs can and will be implemented. It is simply a matter of defining an appropriate and flexible placeholder in a timely manner.

You will also have noticed the introduction of the ministerial-level briefings in line with the Nairobi Maafikiano. This is one element that we hope will help enhancing the impact of our work and translate UNCTAD's work into tailored policy suggestions.

I have to add that not all the changes we propose have a one-to-one relation with the Nairobi Maafikiano.

In some cases there are other mandates that we have incorporated, for example, our work on the Technology Facilitation Mechanism, mandated by the Addis Ababa Action Agenda.

In other cases, the changes relate to structural realignments that the management considers necessary to provide the structure and environment to implement the Nairobi Maafikiano. Such is the case of the realignments proposed in subprogrammes 1 and 3.

For subprogramme 1, our Development Statistics and Information Branch currently undertakes our work on Statistics. Our proposal is to place it as a distinct component entitled *Statistical Monitoring and Support*. This component will be under the responsibility of a new UNCTAD *Statistical Service*.

This change is triggered by a number of mandates related to statistics coming out of Nairobi. The main rationale for a separate Statistical Service is the fact that statistical support is a cross-cutting specialized function that provides services to all UNCTAD subprogrammes.

This explains why the reporting line outside of Divisions. And as any other horizontal function, the new entity will be providing service and support to all Divisions. This change will help us to consolidate our resources on Statistics to enhance quality controls, enhance consistency, improve capacity by focusing on core functions, and to better align the work with high-level strategic priorities.

Statistics is a core function of UNCTAD not only to provide a service to substantive Divisions, but to our external clients: policy makers, academics, civil society, among others. Our statistics related sites are, by far, the most visited sites of all the UNCTAD website.

The change proposed is in line with a more modern and responsive institution. We do not deal only with numbers. We assist clients to uncover the stories behind the figures, so policy makers can make the right choices. This requires data to be consistent, reliable and up to date. But not only that, in the digital era we must ensure that we constantly improve to make our statistics easy to find, easy to search, easy to plot, easier to understand. And for this we need to consolidate resources and further strengthen our expertise.

Let me move on to subprogramme 3, where we have been faced with the opposite situation. A vital area of work for developing countries, such as commodities, working uprooted from other interlinked substantive Divisions.

We understand the rationale of giving better visibility to an issue by placing it under the direct oversight of the Secretary-General of UNCTAD, as was done in

the Accra Accord. And indeed, there has been such a visibility effect. However, in practice, the opportunities to benefit from cooperation, staff mobility and cross-fertilization of work outweigh, in our view, that visibility effect. There are also specific constraints as to the daily supervision and coordination that can be provided directly by top management as opposed to a Division Director. Therefore, we are proposing the reconsolidation of the work on commodities as part of the subprogramme of International Trade, to be renamed subprogramme on International Trade and Commodities under the responsibility of a Division by the same name.

On these two structural realignments, your opinion as the specialized governing body of UNCTAD will be a major determining factor when the relevant bodies in New York consider our proposal. In this context, it is essential that you take an explicit position on these changes in the draft agreed conclusions.

Before I finish, I would like to add a few words on the remaining agenda item. Tomorrow afternoon, you will have an opportunity to discuss the funding mechanism that we proposed to address UNCTAD funding gap in technical assistance. I understand that some of you have already provided us with your comments. And I hope that with the help of your feedback, this mechanism can soon become an additional tool to raise funds that are increasingly necessary in the face of a stagnant or shrinking regular budget. My colleagues in the Technical Cooperation Service will be available the whole week to assist you in drafting a document acceptable to everyone.

Madame Chair, I would like to stop here and allow for time for dialogue.
Thank you.