

Intervention by H.E. Martha Ama Akyaa Pobee at the ECOSOC Dialogue on the longer-term positioning of the UN development system in the context of the 2030 Agenda for Sustainable Development
“Delivering the 2030 Agenda: The role of the UN development system in middle-income countries” 26 May 2016.

Ghana is fully committed to supporting the longer-term repositioning of the UN Development System with a view to advancing the implementation of the 2030 Agenda for Sustainable Development by its target date. Ghana aligns its intervention with the statement delivered by the distinguished representative of Thailand on behalf of the Group of 77 and China.

Diversity of Middle-Income Countries and the Action Priorities of the UN Development System to Respond to Existing and Emerging Challenges.

The label Middle Income Country (MIC) covers a very diverse group in terms of size, population, income and development levels. It is well known that this label has the effect of concealing wide variations on many levels, with unfortunate consequences for many within the group, particularly “borderline” countries that have barely crossed the thin line that separates low-income from middle-income status. For those countries, many development indicators are still in the state of a low-income country, with the added obligations of MIC status.

Ghana, like many developing countries, had aspired towards becoming a middle-income country. To actualize this aspiration, the Government launched the Vision 2020 plan in 1995 with the objective of transforming Ghana from a low-income to a middle-income country within one generation. In November 2010, the country achieved its objective ahead of time through a combination of rapid economic growth and a technical adjustment arising from a GDP rebasing exercise which recalculated the measurement of the economy. Ghana suddenly found that its official GDP per capita had shot up by approximately \$500 to reach \$1,363, thus vaulting the country into a new income category overnight with real consequences. The most immediate and direct impact for Ghana was that it suddenly found itself above the income limit for IDA eligibility for concessional finance from the World Bank with implications for its ability to finance future development projects.

The attainment of MIC status is not an end in itself - sustaining growth and making development inclusive must be the ultimate goal. The question, therefore, is how do we harness our middle-income status to propel the country forward? This is the real challenge that MICs and their development partners face. This is where the role of the UN Development system becomes even more crucial.

In the current development landscape populated by several organizations and institutions, the issue of vested interest versus benign support is far from settled. While vested interest from MICs and related organizations are expected and understood, the need for an honest arbiter cannot be overlooked given the diverse development needs and capabilities of MIC. In the history of the world, very few

institutions and organizations are perceived to be neutral and honest arbiters. The strength of being neutral compared to other global players is a key ingredient in helping mediate the interplay of the several forces and interests at the country and global levels. The UN Development system's neutrality must be harnessed to guide the formulation of global development policy as well as its governance structure. In this regard, the UN in its effort to reform and restructure must consider its strengths and weaknesses since its establishment, and base its future strategy on its proven strengths.

Dealing With Growing Capacities and Persistent Gaps in MICs

The gap between countries with weaker human and institutional capacity and those who have made strides in development has grown wider during the past decade. MICs as well as conflict or post-conflict countries are especially vulnerable. Clearly demonstrated by the slow progress made in the MDGs era, gaps in capacity often put a country at high risk for low performance and mismanagement of resources. Having led the process of evolving the global development policy and its governance structure, it is important for the UN to allow specialized actors with requisite skills to tackle specific issues under the watchful eyes of the UN.

Currently at the country level, the UN Development System appears to be in competition with other development partners in the provision of support including but not limited to farm inputs, sanitation services, employable skills and everything. This reduces efficiency and in some cases amounts to duplication of efforts. The comparative advantage of the UN is based on its very nature and mandate that makes it, in principle, an impartial agent without a hidden political, economic or commercial agenda. This is widely appreciated and a definite strength that the UN system needs to use well. However, given the limited funding available to UN Specialized Development Agencies at the country level, the UN should focus channeling the funds into required country specific needs and not the usual catalytic support. Without seeking to belittle the efforts and impact of the UN Development Agencies at the country level, the general consensus is that some services are better provided by other development partners.

Advancing System-Wide Efforts to Ensure Necessary and Appropriate Support to Eradicating Poverty, Working Closely With National Governments

The current and future development landscape envisions more countries emerging into the MIC bracket while at the same time inequality and marginalization is projected to be unacceptably high. While MICs are increasingly being directed to the market for development resources, it is important to remember that very few governments will voluntarily use commercial funds for social development and addressing issues of equity and marginalization. It is thus crucial that some vigorous resource mobilization is done by the UN Development System in partnership with Governments to support such countries.

Another role of the UN Development System is to be a stronger partner of national governments in seeking the delivery of globally agreed agenda at the country level. It is true that the UN is a strong partner at the country level and it is thus recommended

that the UN maintains its strong partnership with countries instead of being a competitor and also assist countries keep competing partners in check. Irrespective of how the issue of country ownership has been discussed and implemented through the Development Effectiveness Agenda, it is also a fact that some countries may not on their own be able to exercise and demand ownership thus requiring this key partnership even at the country level. More crucially, the UN Development System should continue to strive towards being aid and development effectiveness compliant.

It is in recognition of this partnership that Ghana fully subscribes to the UN "Delivering as One" at the country level with one voice, budget, office, and leadership.