Statement of Switzerland

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Mr. President

At the outset let me thank the Executive Secretary Marc Bichler for presenting the UNCDF strategic framework, 2014-2017, which closely aligns UNCDF to UNDP’s Strategic Plan. Thereby I wish to express Switzerland’s appreciation of the Stakeholders Consultations that UNCDF has held on the Strategic Framework 2014-17 and on earlier occasions on other topics related to its work and challenges. We wish to encourage the UNCDF to further follow this open approach.

Switzerland supports that UNCDF’s interventions will continue to be framed around the Millennium Development Goals and the post-2015 development framework, while keeping its primary focus on Least Developed Countries. With its unique capital mandate and flexible financial instruments, UNCDF contributes to the eradication of poverty by reducing inequalities and promoting inclusive sustainable growth.

We further support that UNCDF will continue to put strong emphasis on the quality of its programming, on transparency and accountability of results and on organizing financial and human resources to maximize results.

Switzerland takes also note with appreciation that UNCDF intends to step-up its capacity to provide pre-investment support, including technical assistance, and seed capital for de-risking investment opportunities of interest to, in particular, domestic private sector investors.

Furthermore, we are interested to learn more about UNCDF’s exploration of a possible investment fund with the purpose of bringing to scale strategic investment opportunities primarily originating from UNCDF’s portfolio and/or pipeline-generating
capacity by providing pre-investment and seed capital support. As usual, we applaud UNCDF’s approach to carefully design this instrument as a complement to existing public and private impact investment vehicles.

We think that UNCDF’s business case is clear and convincing. UNCDF is a risk taker, an innovative institution. With its flexible investment mandate (loans, grants, blending and guarantees directly to private sector and sub-sovereign beneficiaries), with its capacity to take higher risks (than e.g. IFC), also in terms of innovative approaches and products, and with its strong leverage by private and public sources.

Switzerland wishes to commend UNCDF’s valuable work in fostering decentralization and local governments’ capacity to provide services and in leveraging local governments’ capacity to meet specific development challenges such as climate change resilience; food security; social protection; gender equality; local economic development.

Switzerland wishes UNCDF to continue generating new and innovative programmes that generate strong leverage through non-core partnerships (1:4) with bilateral donors and private foundations, as well as follow-on investments (1:10) by IFIs, private sources of finance and governments to the benefit of 40 LDCs.

There are many elements that have led to the excellent performance assessments UNCDF has received. We wish to applaud UNCDF in this regard.

However, Mr. Bichler has also drawn our attention to the important issue of UNCDF’s financial situation. It is important that ways can be found to provide UNCDF with the critical amount of US$ 25-30 million of regular resources. This will allow UNCDF to sustain its technical presence and minimum level of investment capital in 40 LDCs. Thus, Switzerland has decided by the end of last year to channel annually US$ 3.3 million to the regular resources of UNCDF.

Let me conclude by underlining that Switzerland is looking forward to working closely together with UNCDF.

I thank you for your attention.