Mr. Chairman,

The decisions made at the 1992 Rio World Summit are still valid, and the concept of sustainable development is as relevant today as it was when it was first formulated in 1987. Yet, over the 20 years that have passed we have witnessed major and fundamental changes in the world. One consequence of globalization is that interdependence and the need for strong international cooperation and institutions are even more necessary today than they were in 1992.

Strong and effective institutions are needed at all levels, not least nationally, to promote sustainable development. We will, however, focus our intervention on the UN system, since Rio 2012 provides an opportunity to strengthen what works in the current UN institutional framework, and to improve the deficiencies and weaknesses that are also very obvious.

Among the key areas for improvements that should be addressed are:

· First, the need to establish more coherent global arenas for policy discussions, guidance and strategies for sustainable development. In today’s system social, economic and environmental issues are too often addressed as separate matters, not as an integrated whole. We need arenas that better facilitate the development of policy for sustainable development as a whole, not only within each of the three pillars. A review of the way the CSD currently functions is a case in point.

· Second, the need for more coherent and effective structures to govern a fragmented UN system, in particular with regard to operational activities, and to strengthen the coherence between the three pillars of sustainable development throughout the UN system.

· Third, the need for the UN to "deliver as one" for environment and sustainable development. In this area, a lot has been done over the last few years, in particular at country level. These efforts needs to be strengthened and expanded, including at headquarter level.

· Fourth, the need to improve transparency and effective use of financial resources through multilateral institutions to maximise the impacts for environment and sustainable development. A system for coherent and transparent tracking of resources could be one possible avenue to consider further.

· And fifth, the need to strengthen the environmental pillar of sustainable development in the institutional framework. According to the SG, the problem of fragmentation is particularly serious within the environment pillar, and environment is the pillar where least progress has been achieved since the Rio Summit. A lot of time and resources have already been invested in deliberations on various reform options on environmental governance, including by the high-level consultative group established by the UNEP GC, which produced the Nairobi–Helsinki outcome last November. This outcome identified a set of reform options to strengthen the IEG system, both in terms of improving system-wide coherence and possible institutional reforms. The 26th Governing Council decided to transmit this outcome to this PrepCom for consideration. In this context we believe the invitation to the PrepCom to initiate a full
analysis of the financial, structural and legal implications and comparative advantages of the options identified is particularly relevant. We support this proposal, and would like to see the result of such an analysis presented to us in time for the next intersessional meeting.

We also agree with G77 when they in their statement stress that much work still needs to be done under the economic and social pillars of sustainable development. This should be taken into account when preparing the above analysis. This will allow us to consider how these proposals can meet the requirements for improvements, and to identify any gaps that need to be addressed in order to further our discussion on the institutional framework for sustainable development.

Thank you.