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General Assembly Seventy-Fourth session Item 24(a) of the preliminary list* Operational activities for development: operational activities for development of the United Nations system Economic and Social Council 2020 session Agenda item 7(a) Operational activities of the United Nations for international development cooperation: follow-up to policy recommendations of the General Assembly and the Council

Report of the Secretary-General

Implementation of General Assembly resolution 71/243 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system (QCPR)

Summary

In line with the mandates contained in resolutions 71/243 and 72/279, the present report provides a thorough update on the implementation of the 2016 QCPR and the reforms of the UN development system.

Drawing on the latest data and a number of surveys from UN-DESA, the report demonstrates that the UNDS reforms are consolidating. The UNDS is better positioned and ready to accompany countries as they seek to respond to the COVID-19 pandemic and accelerate SDG implementation. The reinvigorated Resident Coordinator system is now firmly in place ensuring stronger and independent leadership of the UNDS at country level. A new generation of UN Country Teams, more cohesive and responsive to national needs and priorities, is taking shape. Solid foundations have been built to nurture a culture of results and learning; and to improve efficiencies in business operations. Challenges remain however and continued effort is needed to ensure further consolidation through ongoing leadership from all involved, sustained funding of the RC system, strengthened capacity on system-wide evaluations; and improved implementation of the funding compact.

The report also outlines a proposed way forward on three outstanding repositioning components. A final package of measures are provided to strengthen our support to MCOs – an historic deficit in our UN development offer to these countries. A clear differentiated approach is set out to optimize the rich array of policy assets at the regional

level, both to tackle cross-border issues and to strengthen the capacities of our country teams to respond to country needs. Member State consideration is also required of the system-wide strategy document.

Finally, to inform the development of the next QCPR later this year, the report addresses a number of issues that go to the core of the integrated support that member states expect of the UNDS to recover better from the current crisis and deliver during the Decade of Action. The UNDS will need to support governments with policy options and technical advice to make difficult choices. It will need to sharpen its offer on critical priorities such as poverty eradication, climate change, and sustainable economic growth. And it will need to strengthen its ability to work with other partners including in some of the most difficult contexts.

Overall, I am pleased with the significant progress we have made on the reforms. I thank Member States for their continued support and for ensuring strong oversight along the way. I recognize colleagues across the UN system for rising to the challenge and embracing institutional and culural change. We need to remain focused until this becomes the new normal. As we move forward, I stand firm in my commitment to translate the approved reforms of the UN development system into improved results for the people we serve and the planet we depend on.

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I. Introduction

- 1. In 2020, we mark the 75th anniversary of the establishment of the United Nations and embark together on a Decade of Action to deliver the Sustainable Development Goals (SDGs).
- 2. Over the last few months, however, the COVID-19 pandemic has challenged us all on our journey towards transformative change. Threatening millions of lives and causing massive socio-economic disruption, it is the greatest challenge that our world has faced since the creation of the United Nations. The pandemic has impacted countries indiscriminately and is projected to continue throughout 2020, spawning a global recession and potentially reversing decades of development gains. It has already exposed the many flaws of the prevailing socio-economic development model flaws that the 2030 Agenda, the Addis Ababa Action Agenda and the Paris Agreement on Climate seek to address. From a health crisis with far-reaching human consequences, COVID-19 has rapidly become a development emergency.
- 3. The crisis has also highlighted our interdependence and the undeniable importance of effective multilateralism in today's hyper-globalized world. It is testing the commitment of states to the principles of shared responsibility and global solidarity. In times like these, the world looks to the United Nations as a trusted partner and honest broker. And at the national level, many countries have immediately reached out to the UN development system (UNDS) for essential guidance and support. Thus far, I believe the UNDS has responded admirably, in an effective, dynamic and coordinated manner. But we can and will do even more to rise to the challenge and help countries win the battle against COVID-19.
- 4. The UNDS that we see responding to the COVID-19 crisis today is, in many respects, the UNDS that we have been building towards over the past four years. Independent, empowered Resident Coordinators are serving as a center of gravity to pull together the UN assets and partnerships to respond to the pandemic, while staying firmly focused on the promises of the 2030 Agenda. The World Health Organisation, a Specialized Agency, is leading the way, working with Resident Coordinators and supported by the entire UN system. UNDP is putting its technical and operational capacities at the service of UNCTs to ensure a robust response to the socio-economic effects of the pandemic. UN entities are working collaboratively across peace operations, humanitarian response, sustainable development Group (UNSDG) has come together around a comprehensive response framework, supported by a dedicated inter-agency funding mechanism. Our communications and partnerships capabilities are bringing the UN's response closer to people and communities, where it is most needed.
- 5. We approach the 2020 ECOSOC Operational Activities Segment and the 2020 QCPR aware of the complexity and scale of the challenge. This report provides an update on implementation of the reforms launched by the 2016 QCPR and the 2018 GA resolution on the repositioning.outlines concrete recommendations to complete the unfinished business. It also provides reflections to inform the next QCPR cycle. It should be read in conjunction with the report of the UN Sustainable Development Group Chair on the Development Coordination Office, which provides a more detailed picture of the progress made in supporting and establishing a reinvigorated RC system.
- 6. Overall, I see three essential take-aways.
- 7. First, the data contained in this report demonstrates that we are on track in implementing the change measures mandated by the General Assembly. The repositioning exercise is consolidating and all mandates of the QCPR have been turned into action. In some areas, reforms are already beginning to bear fruit. But we have to stay focused and must do more to fully operationalize the vision of the approved reforms.
- 8. Four years after the landmark QCPR and two years after Member State approval of ambitious reforms, the UNDS is better positioned and ready to accompany countries to overcome this large scale human crisis and accelerate progress towards sustainable development. Within 12 months, we have recast the Resident Coordinator's role as *the* independent leader of the UNDS at country level. We are nurturing a new generation

of UN Country Teams and expanding the UNDS offer through a whole-of-system approach unlimited by physical presence. Policies, procedures and mechanisms are progressively being designed, laying solid foundations for improving efficiencies in business operations. System-wide, we are improving results-based planning, monitoring and reporting, and audit and evaluation functions. We are strengthening our support to countries in special situations. The new Funding Compact has been internalized by UN entities and Member States, and is helping to increase transparency and accountability and to secure resourcing that better matches the mandates Member States have given to the UN system.

- 9. Over this period, we continued to monitor rigorously and transparently the progress across all reform measures. A publicly available benefits management system constitutes the first UN-wide tool to manage and track benefits directly derived from reforms¹. The system confirms that we are on track to deliver all benefits planned to be realized by 2021. The system captures benefits derived from all major changes mandated by GA resolution 72/279, with the exception of benefits related to establishing common country back offices and the Funding Compact, which were designed to generate tangible results by 2022 and 2023, respectively.
- 10. Further consolidation of the reforms requires continued leadership by partner countries, UN entities, governing boards and funding partners to put in place the right incentives for country-teams to work as one across all facets of their work, under the leadership of the RC. To bring together the entire UNDS offer, we must, amongst others, extend the Management and Accountability Framework beyond the country level to the regional and global levels. To deliver on our commitment to strengthen system-wide evaluations, I will move ahead with critical measures defined in consultation with evaluation units from across the system. Member States must work to address the challenges encountered in funding the RC system and the continued imbalance between core and non-core resources with the help of the Funding Compact, while strengthening the UNDS governance architecture through the General Assembly and the ECOSOC Operational Activities Segment. In tandem, all UNDS entities will continue to step up our accountability and transparency and leverage the momentum we have created together to advance more efficient UN development operations.
- 11. Second, now is the time to move forward with outstanding essential repositioning components relating to the Multi-Country Offices (MCOs), the regional review and the System-wide strategic document. The repositioning exercise is a package of interconnected reform measures. Advancing without agreement on these critical components will undermine the ability of the UNDS to maximize its value proposition to some of the world's most vulnerable countries.
- 12. I am confident that the final package of measures to strengthen our support to MCOs will prove a turning point in our service to SIDS, which comprise the vast majority of countries supported by MCOs. It is time to address a historic deficit in our UN development offer to these countries.
- 13. The Regional Review has been finalized with a strong sense of ownership by the UNDS. The broader reforms have vigorously permeated the regional level. This enables us to now tackle the regional architecture which has been historically undervalued to ensure an optimal deployment of our rich array of regional policy and operational assets to help countries deliver on the 2030 Agenda. As COVID-19 has tragically brought into sharp focus, the road to 2030 will require regional and cross-border collaboration to overcome the numerous challenges that stretch across borders and cannot be handled by any single country alone. Now, after an extensive process of analysis and consultations on these two reviews, time has come for a decision by Member States on the recommended way forward.
- 14. Member State consideration of the UN System-Wide Strategic Document to support the Implementation of the 2003 Agenda for Sustainable Development ("System-Wide Strategic Document") is also outstanding. The UNDS stands ready to move forward with implementation, with a clear commitment to report regularly to Member States on the progress and challenges that may arise in the roll-out process and course-correct as needed.

¹ <u>https://reform.un.org/content/benefits-tracker</u>

- 15. Third, I encourage Member States to use the next QCPR to provide guidance to the UNDS not only on how it should work, but also on the kind of integrated policy guidance and technical support it should provide to countries to accelerate SDG implementation.
- 16. As Heads of State recognized at the September 2019 SDG Summit, the pace and scale of SDG implementation thus far has been inadequate. We are not on track to end poverty. We are not on track to avert the worst impacts of climate change. We are not on track to achieve gender equality. The COVID-19 crisis threatens to make our journey on the Decade of Action even steeper, causing a significant contraction of the world economy, wiping out millions jobs, deepening poverty and inequality, and undermining progress across a range of goals.
- 17. As we progress through the immediate health crisis, we are simultaneously focusing on mitigating the potentially devastating socio-economic impacts; on protecting human rights, building resilience and recovering better. In this context, the next QCPR must raise the bar. It must examine what role the UNDS *should* play in accelerating SDG implementation, as well as in following-up on progress at the global, regional and country levels.
- 18. Key to how we exit and recover from this crisis are the choices we make now and in the medium-term. The UNDS will need to support governments with policy options and technical advice to make difficult choices building on synergies and addressing trade-offs. This means sharpening our offer on critical priorities for governments such as poverty eradication, universal health coverage and addressing the multiple deprivations in people's lives, climate change, sustainable economic growth and strengthening national capacities. It means going further to advance gender equality and leave no one behind. It means collaborating and integrating our efforts better across our development, humanitarian, human rights and peacebuilding response. Lastly it means maximizing our ability to catalyze partnerships for the SDGs, while closing the loop between the valuable lessons emerging from the High Level Political Forum's Voluntary National Reviews and UNDS support at country level. Such issues should be further considered in the 2020 QCPR.
- 19. This end-of-cycle report comes at a momentous time, as the world rethinks the assumptions of its geopolitical landscape, responsibility for global public goods, and models for inclusive and sustainable development. There are lessons to be learned regarding our current model of globalization, and the consequences of increasing protectionism and nationalism. Success during the Decade of Action to deliver the SDGs depends on strengthening multilateralism and deepening international cooperation and solidarity right now and in the years to come. Success is also contingent upon a continuous effort by international organizations like the United Nations to leverage our comparative advantage and evolve with the needs to remain fit-for-purpose. Only in doing so will we come substantially closer to fulfilling the promise made 75 years ago, when the UN was born, for a more just and peaceful world, through international cooperation and respect for human rights and fundamental freedoms.
- 20. Overall I am pleased with the progress we are making in translating approved reforms into improved results. I am thankful for the continued faith and support Member States and our development partners continue to provide as we move forward together. I am also grateful for the leadership and committment of the UN Sustainable Development Group, without which the reforms would not have advanced as they have.
- 21. While I am aware that we still have some way to go, I am confident that we will progressively see the repositioned United Nations development system fully filt to fulfil its potential and important role in supporting the SDG transformation.

II. Equipping the United Nations development system to respond to various country needs and priorities

- 22. In the space of a single quadrennial review cycle, together, we have transformed the UN development system on the ground, guided throughout by GA resolutions 71/243 and 72/279, by subsequent resolutions on the ECOSOC Operational Activities for Development Segment (OAS) and by the September 2018 Implementation Plan for the reinvigorated RC system.
- 23. We have established an independent, empowered Resident Coordinator (RC) system, as the backbone of a reformed UN development system (UNDS) in country, with increased human and financial resources. We have established tools and mechanisms to enhance system-wide analysis, joined-up planning and integrated implementation starting with renewed United Nations Sustainable Development Cooperation Framework (Cooperation Framework). We have bolstered mechanisms at regional and global levels to coordinate UN assets and to place their expertise at the service of governments in their efforts to achieve the SDGs.
- 24. These early efforts of the UNDS and Member States alike are beginning to bear fruit. The enhanced leadership of the RC system is maximizing the single-entity and collective offer of the UNDS in support of national needs and priorities. A new generation of UN country teams is emerging with the provision of tailored system-wide expertise to address country needs and priorities, including through the new Common Country Analyses and Cooperation Frameworks. We are improving our support to countries in special situations. And we have made steady progress in our efforts to maximize efficiencies.
- 25. The road ahead remains complex, not least in terms of tailoring UNCT in-country configuration, sustainably funding the RC system, and delivering on promised efficiencies and mutual accountabilities between RC system and UNDS entities. With strong collaboration by UNDS entities and ongoing support from Member States, however, I am confident we will soon see the full potential of the repositioned UNDS.

A. A reinvigorated Resident Coordinator system

- 26. In resolution 72/279, the General Assembly decided to create a dedicated, independent, impartial, empowered coordination function for the UNDS, to address factors that were hampering the RC system's ability to better support both the UNDS and national governments in their efforts.
- 27. Last year, I made a successful and timely transition into a new RC system a top priority. Accordingly, the first months of 2019 focused on setting up a new administrative, legal and operational system. This ensured the transition into the new system without disruption of activities and support to national governments. UNDP's operational support to a smooth transition was essential.
- 28. More broadly, I am encouraged by the progress achieved over the course of 2019 and the first quarter of 2020. Early results point to a system that is moving in the right direction and already benefiting development activities on the ground. However, data and evidence also show that more is needed to ensure the changes fully permeate both the RC system and the entire UNDS in response to the paradigm shift required by the 2030 Agenda. This ranges from ensuring a stronger RC pool to continue to strengthen our already high calibre RCs; through a redesigned selection process; to a sustained cultural shift within the UN family to coalesce around the RC leadership.

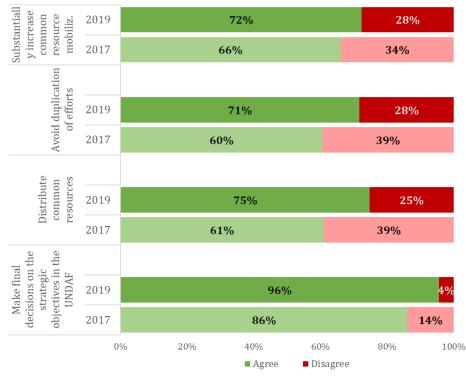
1. Strengthening the influence and capacity of the RC system

29. Positive results are emerging that show RCs' authority, decision-making prerogatives and resourcemobilization capacities have been reinforced². Independent DESA surveys show that over half (56%) of programme country governments state that since 1 January 2019 the RC has strengthened coherence of

² Unless otherwise stated, data in this report has been compiled by DESA. Additional data on a complete list of QCPR indicators is available in the QCPR Monitoring and Reporting Framework which accompanies this report and is accessible through the ECOSOC QCPR website (https://www.un.org/ecosoc/en/oas-qcpr).

UNDS activities and helped reduce duplication. Over half (57%) of RCs agree they have sufficient *prerogative* to avoid duplication within country teams, an increase from 48% in 2017. More RCs than two years ago also report that they can make final decisions on the UNDAF/Cooperation Framework (from 86% in 2017 to 96% in 2019) and to distribute common resources (from 61% in 2017 to 75% in 2019). A smaller increase is registered for their influence in decision-making and avoiding duplication (from 66% in 2017 to 72% in 2019).

Figure I **RC capacity**



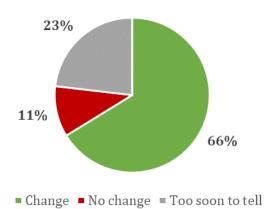
Source: 2017 and 2019 DESA Survey of RCs.

- 30. The data also confirms that the transformative process is still ongoing and will require continued attention to consolidate. Many RCs report their authority is sometimes undermined by lack of clear guidance from individual entities' headquarters to their country representatives on the RC's role. Close to half (46%) of RCs still perceive significant gaps between policy decisions of the UNSDG and how this translates into UNCT action on the ground. This varies by region, with much lower rates in Africa and the Latin America and the Caribbean (34% and 41%, respectively) compared to Arab States (50%) and Asia and the Pacific (52%). Regional Directors of UN entities play a key role in bridging this gap, and I count on them to send cohesive messaging to country representatives on the importance of rallying behind the RC and a sytem-wide response. Numerous RCs also called for full adjustment to UNDS entity corporate policies and consistent application of guidelines on RC authority and prerogative. These efforts are ongoing, as part of the progressive shift happening within each entity and in their Governing Bodies, and we should continue to monitor this data. The role of DCO regional directors will also be critical to support and strengthen RC leadership. Their work is ongoing and will be reinforced as their newly established offices in regions are fully operational.
- 31. RC authority and influence are defined by regular, strategic, advisory and solutions-oriented engagement with host governments and donors in-country as the fulcrum of the UN country team. Several RCs said that host governments still tend to resort to "business as usual" in their relationship with individual UNDS entities. The surveys also point to continued challenges in consolidating the role of RCs in coordinating outreach to funding partners at the country level. We count on all partners to dedicate attention to this issue and help

create the right incentives for a more coordinated approach to fundraising, in the spirit of the Funding Compact. For now, this can be largely attributed to the need for more time for partners to have comprehensive understanding of the UNDS reform and appreciation of the benefits of a whole-of-system approach, and to make the necessary shifts in culture and practice. As now well-resourced RC offices add value to the work of country teams, we expect that in the nature of engagement of government counterparts and other partners will take hold.

- 32. It is also critical to continue efforts to consolidate the administrative and legal foundations of the reinvigorated RC system, within the planned timelines, including a full overhaul of the recruitment and talent management processes for Resident Coordinators. Our pool of RC candidates is still insufficiently diverse in terms of gender, geography and skillsets which sometimes create challenges in sustaining progress already achieved toward gender partity and geographical balance of incumbent RCs. A stronger pool will ensure that we can deploy the right profiles to the right place, at the right time. I expect the pool to be significantly strengthened as we finalize measures, in the course of 2020, to make RC selection more effective and transparent and the RC career path in the Secretariat as appealing as it is complex.
- 33. I count on all governments to ensure a sound long-term legal basis for the operations of RCs and their offices across the globe is in place. In some cases, negotiations on the new host agreement on the RC system are still ongoing. It is important that this is finalized as soon as possible so that the focus in our engagement with host governments can turn entirely to substantive collaboration to advance the SDGs.
- 34. Efforts to strengthen RC Offices capacities are also bearing fruit. While recruitment is still ongoing, many RCOs are already benefitting from increased capacity for strategic planning, policy support particularly for economics and SDG financing, scaled up partnership efforts, and joined-up communications and results monitoring, evaluation and reporting, with a much stronger focus on data.

Figure II Strengthening/increasing RC capacity to coordinate UN activities, compared to before 1 Jan 2019



Source: 2019 DESA Survey of Programme Country Governments

35. Two thirds of programme country governments report that, since 1 January 2019, the RC has strengthened capacity to coordinate UN activities in support of the country's development priorities.

36. Over 90% of RCs agree that UNCTs view the RCO as a common resource for supportive analysis, policy and programming.

37. Three quarters of RCs (75%) report they now have the capacity to access the expertise available within the UNDS to address national needs, priorities and challenges.

38. I am also encouraged to see RCs taking on a greater convening role - leveraging partnerships across society in support to national SDG efforts - in light of the additional dedicated capacities in this crucial area.

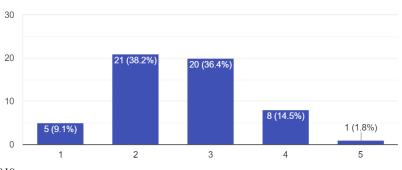
39. The ability of the RC system to serve as an amplifier of UNDS impact on the ground primarily rests on the leadership capacities of RCs and of the RC system as a whole. DCO has been at work to recalibrate leadership capacities at global, regional and country level. New regional development coordination offices offers critical technical and quality support to the work of RCs, although their phased establishment has resulted in some regional offices being more advanced in their work than others. The RC assessment, selection and performance management systems are being recalibrated. The report of the UNSDG Chair on DCO provides a full account of progress made, results achieved and challenges that remain. It demonstrates how early investments in UN development coordination are being leveraged for higher impact results.

2. Implementing the management and accountability framework - a work in progress

- 40. Following General Assembly resolution 72/279, the management and accountability framework (MAF) was established as the primary tool to guide the new relationships and accountabilities within the UNDS. The country-level component of the MAF was updated in 2019 to reflect new arrangements. Already, it appears that those changes are helping to empower RCs and guide strong and efficient working relations of UN country teams.
- 41. When surveyed in November 2019, over 90% of RCs said that the MAF changed the way UNCTs work, albeit to different extents (see figure III below). The level, scope and pace of progress varies across locations and entities, but most RCs report greater commitment by UNCT members to working together collaboratively as well as more regular engagement by entities not physically present in the country.

Figure III

To what extent has the MAF changed the way the UNCT works? (1: not at all; 5: very significantly) 55 responses

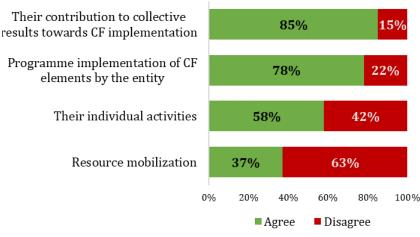


Source: DCO Survey 2019

- 42. This emerging change in outlook is evident across a number of indicators.
- 43. Most UNCT members seem to exhibit a better understanding of the leadership role of the RC, though the participation of RCs in high-level delegations or events of UNDS entities remains uneven; and accountability mechanisms through entities performance appraisal systems are not yet fully in place, although work is under way.
- 44. RCs also report greater engagement in and ownership of joint planning by the UNCT, although engagement at implementation and reporting levels can be further improved. RCs also report an increase in joint communications and collective advocacy, although some entities continue to communicate independently in areas that affect the whole UNCT. With respect to common services, implementation of the business operation strategies continues at an uneven pace (See Chapter 1.B.3 for more details).

- 45. The MAF also stipulates that UNDS entities must regularly update the RC on their individual activities and on their respective contributions to SDG results, on the basis of the Cooperation Framework
- 46. As Figure IV reveals, RCs indicate that UNCT members provide regular updates to the RC on their contribution to collective results towards Cooperation Framework implementation and entityspecific programme implementation of Cooperation Framework elements, but less so on

Figure IV UNCT members report to the RC regularly enough on...



Source: 2019 DESA Survey of RCs.

- individual activities, and resource mobilization.
- 47. Moreover, in terms of the quality of reporting, RCs report that UNCT members report relevant information, but see room for improvement in the frequency, quality and scope of reporting from UNCT members.
- 48. All UNDS entities should reflect this reporting link to the RCs in job descriptions of their country representatives. Ten UNDS entities,³ including a number with substantial country presence, indicated they had adjusted the job description of their country representatives to reflect this change. Several other UNDS entities indicate that the subject was under review.
- 49. Formal input from RCs to the performance appraisal of UNCT members is another key element of the country-level MAF. While it was not possible to secure data on this as the system was undergoing changes in the course of 2019, steps are being taken as planned. The vast majority of RCs have already started providing formal inputs into performance assessments of UNCT members. The Chair of the UNSDG will continue to work with all members to ensure full compliance by the next reporting cycle.
- 50. Drawing on the country-level experience, the regional- and global-level chapters of the MAF will be completed over the course of 2020 at which time the country-level chapter of the MAF may see adjustments to ensure we fully deliver on the guidance of GA resolution 72/279. Feedback from UNCT members on their experience in implementing the MAF to date will be important in defining if any amendments are required.

3. Sustainably funding the RC system

- 51. The RC system is the backbone of the UNDS repositioning. It is central to the UNDS ability to deliver results effectively and efficiently in support of national governments. The level, predictability and sustainability of funding for the RC system remains a top priority and a challenge.
- 52. Working under the close guidance of the Chair of the UNSDG, DCO has led efforts to operationalize the new RC system hybrid funding arrangements mandated by the General Assembly, through fundraising, the establishment of a dedicated trust fund, guidance to operationalize the 1 per cent levy on earmarked funding, and establishment of an online portal for full transparency on contributions and expenditures. All details are provided in the report of the UNSDG Chair on DCO.
- 53. The trajectory to date is positive. With the contributions received, we were able to build the reinvigorated RC system over the course of last year steadily and in line with the implementation plan for the reinvigorated

³ FAO, ILO, PBSO, UNDP, UNFPA, UNHCR, UNICEF, UNODC, UNOPS, UN-WOMEN

RC system. In 2019, contributions for the RC system amounted to \$223 million, comprising \$118 million from voluntary contributions, \$75 million from the cost sharing arrangement and \$30 million from the 1 per cent coordination levy. Despite this positive effort, 2019 still saw a gap of approximately \$58 million in relation to the full budget of the RC system. This has not affected the pace of implementation in the first, transitional year, as recruitments for the new RC system were staggered and we were able to draw on legacy staff and premises halfway through 2019. It also resulted in the carry-over of some funds to 2020, helping to address cash-flow constraints. The funding gap must now be bridged as a matter of priority for the system to continue to run at full capacity.

- 54. I am grateful to all countries that have contributed so far and supported the implementation of the cost-sharing and levy components of the RC funding model in relevant governing bodies. I am also grateful to UNSDG entities that contributed to the RC system through the doubling of their contributions. Nurturing these efforts is a priority. There is an urgent need, however, for other contributors to step in to ensure we can sustain the investments made to date and deliver adequate coordination capacities to support the 2030 Agenda.
- 55. Pursuant to GA resolution 72/279, I will submit a report to the General Assembly on the functioning of the reinvigorated RC system, including with recommendations on its funding arrangement, during its 75th session. I will do so in close consultation with the President of the General Assembly and Member States to define the ideal timing and modality for consideration of the report. This review will provide an opportunity to assess whether the current hybrid funding model is a sustainable arrangement for a reinvigorated RC system.
- 56. As we head towards that first assessment, it is our common responsibility to implement the funding model devised by the General Assembly and ensure that the necessary capacities are in place to deliver on Member State expectations. If there was ever a time for stronger development coordination, that time is now. As we continue to work with countries to advance the 2030 Agenda, only a strong and coherent UN response can help protect development gains while responding to the immediate and longer-term socio-economic impact of the COVID-19 pandemic. RCs and UNCTs are all on the frontlines of these efforts.

B. The emergence of a new generation of UNCTs: more attuned to country needs and priorities

- 57. A new generation of UNCTs a central component of the approved UNDS reforms is emerging. Step by step, measures are taking root as UNCTs progressively tailor their focus, skillsets and capacities to better serve countries on their sustainable development journey.
- 58. The goal is to ensure more flexible, responsive and demand-driven UN country presences UNCTs that deliver results at greater scale, together, and with more efficient operations.
- 59. This section provides an overview of efforts since the establishment of a new RC system roughly a year ago. It addresses the new Cooperation Frameworks; the optimum UN country-presence; our support for countries in special situations, and the effectiveness and efficiency of business operations.

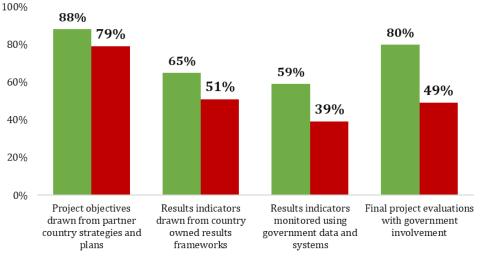
1. Rolling out the new UN Sustainable Development Cooperation Framework

- 60. In 2019, the first steps were taken towards operationalisation of the new UN Cooperation Framework. As detailed in the complementary report by the Chair of the UNSDG, guidance for the development of Cooperation Frameworks was issued to all UNCTs, and roll out is progressing as planned.
- 61. The new Cooperation Framework is the vehicle through which a new generation of UNCTs can make good on their value proposition to governments seeking to accelerate SDG implementation. It marks a clear departure from its predecessor document, the UN Development Assistance Framework (UNDAF).
- 62. As the principal planning and implementation instrument of the UNDS in each country, the Cooperation Framework represents a compact between UN development entities and host governments. Each stage of the Cooperation Framework is to be co-led by the government and anchored in national development priorities

and planning cycles. The signed Cooperation Framework provides the parameters and substantive focus for aligning the configuration of UNCTs to country priorities and needs, and places much stronger emphasis on the landscape of SDG Financing to achieve national priorities. The Cooperation Framework also serves as a funding framework to enable achievement of its planned results. The guidance on the Cooperation Framework makes clear that it is no longer a reflection and compilation of all activities planned in individual entity programmes. Rather, UNDS entities are now required to derive their programmes from the Cooperation Framework, not vice versa.

- 63. The Cooperation Framework will also ensure that a much stronger focus is placed on ensuring that the integrated UN development offer to countries responds directly to specific national demands and gaps countries face to achieve the SDGs. The Cooperation Framework begins and ends with a joint "Common Country Analysis "(CCA) of the country's development landscape and SDG priorities. The CCA will be frequently updated to reflect shifting national realities and demands, and to continuously build on lessons from Voluntary National Reviews and recommendations emanating from Universal Periodic Reviews. This ensures a more agile internal analysis, reflective of evolving country contexts, and reduces the period for formulating a new Cooperation Framework.
- 64. All Cooperation Frameworks have a strong focus on inclusive economies and on leaving no one behind. They also now explicitly recognize regional and trans-border elements, to ensure these help inform a national response. SDG targets and indicators are now the default results monitoring framework for every UNCT. The results framework and its indicators will be informed by country-defined, disaggregated baselines, and tracked online through the online platform UN-INFO at country, regional and global levels.
- 65. None of these elements were features of the predecessor document the UNDAF.
- 66. New Cooperation Frameworks are being rolled out, according to where UNCTs are in terms of their programming cycle. A number of countries have already developed new Cooperation Frameworks with their national counterparts, adapting from the final guidance in the latter half of 2019. Another 37 will use the full endorsed Guidance in the course of 2020. Nevertheless, data from the DESA surveys indicates an important shift in also in this dimension of the relationship with national partners has already begun.
- 67. More than three quarters (78%) of programme country governments indicate the UNDS has become more relevant to their country's development needs in the past three years. The majority of programme country governments (89%) also agree that the UNDAF/Cooperation Framework have enabled them to ensure that UNDS activities are closely aligned with national needs and priorities. This finding is echoed by external data from OECD and UNDP, which show that UNDS entities are more closely aligned to country needs and priorities as set out in national development plans and strategies than other bilateral partners (see Figure V) with alignment increased significantly from 2016 to 2018.

Figure V Alignment of UNDS entities and bilateral partners to country needs



UN entities (28 entities reported on 877 projects)

Source: OECD-UNDP (2019) Making Development Co-operation More Effective: 2019 Progress Report.

- 68. Cooperation Frameworks also build on nationally-led, inclusive multi-stakeholder consultations such as those used to elaborate the national development plan. The majority of RCs report that civil society and bilateral and multilateral actors were consulted to a moderate or great extent when developing the Cooperation Framework. More than two thirds of RCs report that international financial institutions were consulted to a moderate or great extent. Fewer, just over 50%, report that parliamentarians and the private sector were consulted.
- 69. The data suggests that these changes are part of a broader trend that aligns with the 2030 Agenda's emergence itself. These changes are expected to be further amplified as we move forward with implementation of new Cooperation Frameworks. For full coherence, however, country programme guidance of individual UNDS entities and approval processes by their governing boards need to be streamlined and/or sequenced with the timeline of the Cooperation Framework design. Several governing bodies are already taking steps in this direction. At the end of 2019, seven UNDS entities already reported that outcomes in individual entity programme documents would now be copied verbatim from the Cooperation Framework.
- 70. In June 2019, the executive boards of UNDP/UNOPS/UNFPA, UNICEF and UN-Women took initial steps to sequence entity specific country programme documents so that individual programmes derive directly from the Cooperation Framework. Respective entities are expected to provide in th course of 2020 an update on further adjustments required. The Executive Board of WFP is taking similar steps. Commitments in the same direction are needed from all UNDS entities.

BOX: COVID-19 crisis - A first test of the repositioned UNDS

The very first big test of the repositioning of the development system arrived before anyone could expect. As this report was being drafted, COVID-19 started wreaking havoc across the world. The early benefits of the reforms became self-evident.

The UNSDG provided quick collective leadership to respond to Covid-19 as a development emergency, complementing the health and the humanitarian response. It's work helped signal to our regional and country teams the imperative of a one UN response to the pandemic.

Our empowered Resident Coordinators are already at the centre of the COVID-19 response, relying on and supporting the technical lead of WHO for the health response and UNDP's leading role on the socio-economic front. As a result, UNCTs are better positioned to provide an agile and integrated response that leverages the expertise and capacities of all UNDS entities, including Non-Resident Agencies.

From the very onset of the crisis, staff were fully briefed and prepared at country, regional and global levels, and a system-wide knowledge platform rapidly put in place centralizing crucial information and materials especially targeting RCs and UNCTs. An online COVID-19 Partners Platform, hosted by WHO, also brings strategy, policies, information and advice for RCs and UNCTs to enable effective collaboration and coordinating of actions to address the emergency.

UNCTs immediately pivoted their efforts to scale up country preparedness and response, with amplified focus on the most vulnerable populations, and providing crucial support to governments. They assisted countries in developing public-facing communication on risk and awareness; ensuring continuity of care and social services; facilitating partnerships with the business sector to address the emergency; finding solutions to enable continuity of learning during school closures; and advocating inclusion of underserved refugee and migrant communities. Leveraging the policy assets of DESA and regional commissions, the system has also reasserted its role in support of country efforts to ensure value chains remain active and fiscal space is expanded to respond to the massive demands of COVID-19. This has helped ensure a strong system-wide voice to support the Secretary-General's call for an ambitious debt relief package for countries fighting the pandemic.

As we move forward in addressing this crisis, the system will step up its collaboration with national governments and the global community to rethink healthcare and service provision systems, education and jobs skilling, economic growth and production models, and recovery and resilience strategies making better use of science and technology, and ensuring equality and privacy.

We expect that the reforms made to our business operations can now help reduce implementation time, by allowing UN entities to quickly use administrative procedures from other UN entities with new mutual recognition agreements. We are also sharpening our strategies to ensure we tailor our response to the specific needs of the population – for instance children, older persons or persons with disabilities. Working closely with UN Women, Resident Coordinators are now better able to focus on the most vulnerable and to ensure women and girls are at the centre of the response.

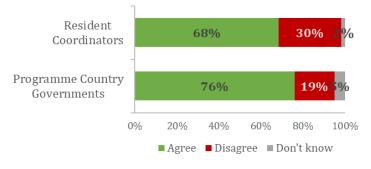
Our increased ability to draw on global and regional policy capacities will help ensure that UN Country Teams should help offer integrated policy support to governments as they deal with trade-offs and identify ways to keep supply chains open and increase investments in the response. Our stronger focus on partnerships will ensure we

2. Getting the configuration of UN country teams right

71. To be relevant in the era of the SDGs, I am convinced that the UNDS must deliver an integrated response on the ground across all dimensions of sustainable development, elaborated in Chapter Seven of this report. Relying primarily on entities with physical presence or over relying on individual programmes will simply not provide the most effective response.

- 72. I remain committed to a system in which we continuously assess with the host government and other partners whether our UNCTs are optimally configured to respond to shifting national priorities and needs, as well as adapting to any emerging or new risks they may face.
- 73. The data continues to suggest this is not always the case. One in 5 governments and 3 in 10 RCs consider the respective UNCT configuration insufficiently tailored to meet the specific challenges of the country (Figure VI).
- 74. It remains my expectation that any new Cooperation Framework cycle should trigger a review of the UNCT configuration to ensure we have the required capacities and skillsets to deliver on commitments.

Figure VI UNDS presence is adequately tailored to meet the specific challenges of the country

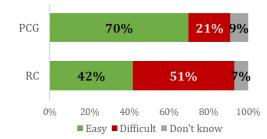


Source: 2019 DESA Survey of RCs and Programme Country Governments.

- 75. Accordingly, the Cooperation Framework guidance makes clear that it should be signed only after this step is completed and a decision is made on the optimal configuration needed. This is a decision, ultimately, by the host government and the respective UN entity; but I count on RCs to facilitate this dialogue in an inclusive and open way.
- 76. At this stage, only a handful of UNCTs have carried out a dialogue on their configuration as they prepare new Cooperation Frameworks. This is not surprising, given the staggered roll out of UN Cooperation Frameworks; and progress is expected to accelerate moving forward. Nearly half of responding RCs report plans to hold a focused dialogue on the UNCT configuration with government in 2020. In preparing for such dialogues, some entities have initiated reviews of their own criteria for country presence. For example, UNODC has conducted an initial review of its presence in 2018-2019, and FAO has a similar review underway. UN Women is discussing ways to enhance its support to countries through more cost-effective models drawing on the new RC system.
- 77. Yet, data also shows that RCs remain concerned by an anticipated resistance by some UNCT members to engage in such discussions. I encourage host governments and all governing bodies to remain supportive of coherent, effective and efficient agency representation on the ground, in line with needs and priorities agreed in the Cooperation Frameworks.

Figure VII

Ease of access to technical expertise from UNDS entities not physically represented in country



78. Moving in this direction implies a much greater focus on enabling countries to systematically access "non-resident" capacities of the development system. This remains a work in progress.

79.On the one hand, only 39% of governments responding to the DESA survey reported accessing support by non-resident entities through the RC.

Source: DESA 2019 Surveys of RCs and Programme Country Governments.

- 80. On the other, RCs report that that most entities are now included in at least some Cooperation Frameworks regardless of physical presence (Table 1).
- 81. Several UNDS entities have taken steps to streghten their own capacities and realign support to better respond to the 2030 Agenda. As part of its reforms DESA, for instance, has started to make normative and analytical products available to RCs and UNCTs, in a more systematic manner, through DCO. This is exemplified by its work on data, financing for development and voluntary national reviews, elaborated in my present report. DESA also has been providing briefings to the Member States on its internal reforms and initial impacts. I will continue to work with DESA's leadership, under the guidance of Member States, to build on these efforts to enhance the Department's support to Member States and to ensure strengthened support in the follow-up and review of the 2030 Agenda.
- 82. We must build on these experiences and on the promising new relationships with regional commissions and other non-resident entities to take this effort to the next level.

| Entity type | Entity | Physically present & in cluded in the CF/UNDAF | Physically present & NOT included in the CF/UNDAF | NOT physically present & included in the CF/UNDAF | Total |
|-----------------------|---------------------------|--|--|--|-------|
| | UNDP | 99% | 1% | 0% | 114 |
| | UNCDF* | 56% | 22% | 22% | 32 |
| | UNV* | 55% | 23% | 23% | 71 |
| | UNICEF | 96% | 1% | 3% | 113 |
| | UNFPA | 94% | 1% | 6% | 109 |
| | WFP | 88% | 4% | 9% | 82 |
| Funds and Programmes | UNHCR | 83% | 5% | 12% | 95 |
| 0 | UN Women | 75% | 3% | 22% | 96 |
| | UNRWA | 67% | 33% | 0% | 3 |
| | UNOPS | 65% | 14% | 20% | 69 |
| | UNODC | 60% | 7% | 33% | 84 |
| | UNHABITAT | 54% | 10% | 36% | 61 |
| | UNEP | 35% | 6% | 59% | 81 |
| | WHO / PAHO | 97% | 1% | 2% | 113 |
| | FAO | 94% | 1% | 5% | 112 |
| | ILO | 75% | 3% | 23% | 106 |
| | UNIDO | 66% | 6% | 28% | 82 |
| | IMO | 60% | 40% | 0% | 5 |
| | WIPO | 60% | 0% | 40% | 5 |
| Specialized Agencies | ITU | 57% | 21% | 21% | 14 |
| opeenanzea rigeneies | UNESCO | 55% | 5% | 41% | 106 |
| | IFAD | 48% | 17% | 34% | 58 |
| | ICAO | 33% | 44% | 22% | 9 |
| | World Bank Group | 22 <mark>%</mark> | 75% | 3% | 92 |
| | IMF | 14% | 84% | 2% | 64 |
| | UNWTO (tourism) | 0% | 0% | 100% | 8 |
| | ECA | 56% | 22% | 22% | 9 |
| | OHCHR | 52% | 11% | 37% | 87 |
| | ОСНА | 49% | 30% | 21% | 57 |
| | UNDRR | 44% | 17% | 39% | 18 |
| | ECLAC | 29% | 71% | 0% | 7 |
| Secretariat | ESCAP | <u>29%</u> | 14% | 57% | 7 |
| | ESCWA | 25% | 0% | 75% | |
| | | | | | 4 |
| | UNCTAD (inc. ITC) | 10% | 21% | 69% | 42 |
| | ECE | 0% | 0% 25% | 100% | 13 |
| | DESA | 0% | | 75% | 4 |
| Related Organizations | IOM | 84% | 13% | 3% | 105 |
| | IAEA | 4% | <u>6%</u> | 89% | 47 |
| Other UN Entities | UNAIDS | 82% | 1% | <u>17</u> % | 87 |
| | Other entities not listed | 53% | 29% | 18 <mark>%</mark> | 17 |

Table 1Funds, programmes and specialized agencies included in the Cooperation Framework/UNDAF

Source: DESA 2019 Survey of RCs, based on responses from 116 locations.

Note: Entity type based on UN CEB classification. Though administered by UNDP, UNCDF and UNV are represented separately in some UNCTs and by UNDP in others. Data based on a sample survey response and intended to reflect configuration patterns globally. Total numbers for entities and countries may differ.

3. Tailoring UNDS support to countries in special situations while responding to a universal agenda

- 83. In line with the 2016 QCPR, the UNDS has placed continuing emphasis on providing targeted support for countries in special situations. We are making progress but during the next QCPR cycle, we must go further, especially taking into account the disproportionate negative socio-economic impact of COVID-19 on these countries.
- 84. There are currently 47 Least Developed Countries, of which five are scheduled for graduation in the next QCPR cycle.4 Up to seven additional countries may graduate at the end of the next QCPR cycle. In its 2019 report to ECOSOC, the UN Committee for Development Policy (CDP) stressed the urgency for the UNDS to develop common guidelines to ensure LDCs are prioritized in all programming and budgeting, and that it supports countries smooth transition from the LDC category. CDP also expressed concern about the significant number of graduation-related capacity development activities UNDS entities and other international organizations were conducting outside the UN Inter Agency Task Force on graduation framework and coordination efforts. Moving forward, and ahead of the Fifth United Nations Conference on LDCs in March 2021, I will request OHRLLS and the Inter Agency Taskforce to develop the above-mentioned common guidance. I also encourage all UNDS members to ensure that graduation-related capacity development activities are coordinated and demand-driven, and to encourage an ambitious and flexible approach to help governments to mitigate the impact of graduation. I encourage member states and other relevant stakeholders to provide financial and in-kind assistance to the LDC Technology Bank, operational since 2018, to enable it to fulfil its mandate.
- 85. The UNDS has continued to support implementation of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024 (VPoA). The VPoA midterm review, conducted in December 2019, resulted in the adoption of a political declaration that includes a call for action to accelerate the VPoA in its remaining five years. I will work to ensure that the UNDS provides support to LLDCs in the areas identified in the and VPoA and the political declaration of the mid-term review. To this end, I have requested OHRLLS, in consultation with relevant stakeholders, to develop a Road Map for accelerated implementation of the VPoA and the political declaration in order to strengthen UN coordinated support to the landlocked developing countries.
- 86. The high-level meeting review of implementation of the SIDS Accelerated Modalities of Action (SAMOA) Pathway in September 2019 resulted in a political declaration urging the international community to act to address SIDS priorities over the next five yearsand to enhance coherence of the issues of those states in UN processes, at the national, regional and global levels. Strengthening the support of the UNDS to SIDS is described in Chapters 4 and 5 (MCO and Regional review) of this report.
- 87. Significant efforts are underway to strengthen the quality and coordinated nature of the UN's support to African countries. Africa accounts for 41.4% of total country-level expenditures and 49.5% of core expenditures (an increase from 40.3% in 2015). The recently concluded thirty-third African Union session provided the opportunity for the leaders of both organizations to renew their commitment to a strengthened partnership, particularly in the context of the UN-AU Joint Framework on the 2030 Agenda and the Agenda 2063. Since the signing of the UN-AU Joint Framework on the 2030 Agenda and the Agenda 2063, there has been progress in elevating development to the top of our common agenda and in working more collaboratively across the UN system to ensure enhanced support to all African countries. The steps set out in my present report, as part of the regional review, illustrate the significant potential for the UN to further enhance its coordinated regional offer in Africa.
- 88. While bolstering our support to countries in special situations, we also need to continue to evolve our support to Middle Income Countries (MICs) in all their diversity. In the context of the current reforms, I have designated the UN Chief Economist as focal point for MICs and we are proceeding in our efforts to advance multidimensional measurements of sustainable development. In MICs, a gradual shift from a traditional model of direct support and service provision towards a greater emphasis on integrated high-quality policy

⁴ Vanuatu (2020), Angola (2021), Bhutan (2023), Sao Tome and Principe (2024), Solomon Islands (2024)

advice, capacity development and support for the leveraging of partnerships and financing is needed. In this regard, as set out in my Roadmap for Financing the 2030 Agenda, 2019-2021, the UNSDG is committed to developing a joint framework of collaboration with multilateral development banks to improve regional and country-level synergies, with specific attention to MICs. While funds, programmes, and other UNDS entities are directed to focus on a loosely defined concept of "programme country", Specialized Agencies and Secretariat entities have universal mandates that encompass all countries of the world. **The 2020 QCPR could provide guidance on how best to address the UNDS contribution to the implementation of the universal 2030 Agenda beyond the Member States traditionally categorized as "programme countries"**.

4. Progress made in improving effectiveness and efficiency of business operations

- 89. Working hand-in-hand with the UNSDG, we have set up the building blocks in our trajectory towards more efficient UN country team operations. We have come a long way in overcoming the initial challenges in advancing efficiencies in a system with a large degree of autonomy in its operations. There is no doubt that this has required a heavy lift from entities across the system to put us back on track in our efforts to generate efficiency gains in the order of U\$310 million by 2022^[11], as initially estimated. I am grateful for the efforts of the UNSDG Business Innovation Group (BIG), co-chaired by UNHCR and WFP, for the progress made in developing a clear strategy to deliver and report on efficiencies across the system. This is a critical component of the repositioning process. While efficiencies are not an end in itself, any savings emanating from a more collaborative way of working would translate into more resources benefiting development activities, rather than covering administrative costs of UN entities.
- 90. The BIG strategy builds on the areas I have outlined in my latest two reports to the ECOSOC Operational Activities Segment, namely improved common Business Operations Strategies for UNCTs; the establishment of common back offices for all UNCTs; more UN common premises; and the identification of services that could be better organized through shared service centres managed by different UN entities at the global level. There has been progress in all these areas.
- 91. The global Business Operational Strategy 2.0 (BOS), launched by the UNSDG in October 2019, will allow us to deliver on our commitment for all UNCTs to develop an enhanced common business operational strategy by the end of 2021. As part of this effort, 72 UNCTs already have a common business operations strategy in place (up from 63 in 2018). The newly introduced BOS digital platform, developed with UNDP's support, will also improve reporting on implementation across countries and regions. The benefits of common services are becoming increasingly evident as the BIG helps specify the scope and roadmap for implementation. In late 2019, for instance, UNDS entities endorsed a concept for the pooling of vehicle fleets that could potentially yield one-off cost avoidance of over US\$200 million and another US\$26.5 million in annual cost avoidance after the first year. We are also providing close support to UNCTs to ensure that we leverage the BOS to meet the target set for all UNCTs to establish Common Back Offices by 2022. This is an ambitious effort that will see the establishment of a single team to support services for the entire UNCT in areas relating to administration, finance, human resources, information and technology, logistics, and procurement. Only four countries Vietnam, Brazil, Cape Verde and Eswatini have piloted common back offices to date.
- 92. To catalyze such efforts by UNCTs, the BIG has also worked with the CEB/HLCM to identify specific services that can be provided remotely to UNCTs by at least one entity, through arrangements known as **global shared service centres**. The potential is vast. Shared service centers are not only cost-effective but also provide significant quality improvements. While various entities already adopt global shared services for their own operations, only a small share of these are shared across the system. As a result, less then half of the entities currently rely on services by sister entities to reduce their operational costs. The BIG has already mapped out 163 services that could be offered by at least one UN entity to UNCTs and will proceed, in 2020, in brokering inter-agency agreements in this regard.
- 93. In addition, the BIG has established three key enablers to take the efforts by UNCTs to the next level. This includes common definitions for services and quality standards and common costing and pricing principles. Without these common parameters, the efficiencies agenda would remain elusive. The BIG has

also facilitated a landmark agreement on mutual recognition, which allows UN entities to use or rely on another entity's policies, procedures, system contracts and related operational mechanisms without further evaluation, checks or approvals being required. Nineteen UNDS entities have already signed the agreement, including the Secretary-General on behalf of all entities of the Secretariat. DCO is now working with UN Country teams to ensure all entities effectively tap into the potential offered by this new agreement, to expand the range of administrative services that can be undertaken jointly.

94. Common Premises remain another critical pillar of our strategy. The direct impact of common premises in monetary savings is, at first sight, not as significant as expected. There are, however, several indirect benefits that underline the importance of meeting our ambitious target of 50% of common premises by the end of 2021. Common premises help maximize the impact of common services. Experience shows that they also help strengthen programmatic coordination, a unified UN image, and can lead to a reduction in carbon emissions. However, we are not currently on track and some entities remain concerned with one-off costs related to the costs of moving and early termination of existing rental arrangements, especially when several UNCT members are now in rent free locations. I am working with the BIG to explore creative measures to allow UNCTs to access seed capital that can be used to initiate common premises. I also count on the support of all host governments, including in-kind, to make our shared vision for common premises a reality.



Figure VIII Status of workstreams for business operations

Source: UN, 2020, BIG update 10, February.

- 95. We have also made strides in establishing a system to report on efficiency gains across the UNDS. This is a significant step in enhancing transparency, especially considering that even a few months ago - in 2019 - over half of UNDS entities reported that they were still not able to estimate their efficiency gains due to the lack of comparable data. Under the leadership of the BIG, we are in the final phase of design of a first-of-itskind platform to track efficiencies across the UNDS. In the second half of 2020, we start reporting regularly to Member States on efficiencies achieved across the UNDS, through both qualitative and quantitative data
- 96. As we continue to move forward, I count on the strong determination of Principals of the UNDS and on continued support of respective UN governing bodies to take the efficiency agenda head-on, investing the necessary efforts, fast-tracking new policies, procedures and approvals, and moving ahead with implementation. Building block after block, together with entities of the UNSDG, we are moving forward to respond to the high expectations of Member States, who are understandably keen to ensure that their investments on the UNDS are used in the most efficient manner possible way and maximize the delivery of development results.

III. Enhancing transparency, accountability and oversight for system-wide results and efficiency

97. Continuous enhancement of UNDS transparency, results-orientation and accountability is essential to better support countries in implementing the 2030 Agenda. In this chapter, I provide an update on progress made and further work needed to strengthen transparency through improved results-based management, data and system-wide evaluation; and, to enhance accountability through Executive Boards and the ECOSOC Operational Activities Segment.

A. Improving system-wide results-based management, evaluation and reporting

- 98. The UNDS repositioning has put us on a firm path in strengthening transparency and accountability for results in everything we do, together, in support of sustainable development efforts. Over the past year improving the quality of results-based management, evaluation and reporting of system-wide activities received priority focus.
- 99. At country level, the new Cooperation Framework offers a new reference point to track and assess the work of the system on the ground. At global level, the System-Wide Strategic Document presented by the UNDS at ECOSOC OAS in 2019, following GA resolution 72/279 which remains to be considered by Member States could help set the strategic vision at the global level for the system to best support Member States in advancing the 2030 Agenda. I count on the ECOSOC to provide further guidance to the system on the way forward in the implementation of the System-Wide Strategic Document.

1. Tracking and reporting on country-level results

- 100.In responding to the QCPR, I underscored the importance of strengthening accountability for system-wide results. Our first accountability is towards the countries we serve. This is why I have requested all country teams to ensure they provide annual reporting on their results to the host government. Only half of programme country governments reported in 2019 that they had received an annual report on UNCT results in the last annual cycle. I expect a 100% compliance rate this year.
- 101.I also agree with many government partners and RCs who have indicated in the surveys that the quality of UNCT annual reports must be improved, including to provide more information on UNCT support to mobilizing partnerships and financing for the SDGs. I have instructed DCO to work with colleagues across the UNSDG to prepare further guidance on UNCT reporting, to address the expectations of host governments and to build on the early lessons since the transition to a new RC system.
- 102. It is also critical to ensure that we continue to strengthen and harmonize the system's approach to data. We must be coherent in our strategies and methodologies if we are to effectively help countries in tracking SDG progress. To ensure we are up to the task, I have initiated the development of the first-ever system-wide UN Data Strategy. Designed to help everyone in the UN family deliver more value from data. It will set out my vision for the data-driven transformation of the Organization.
- 103.At country level, UN Info a new data tool for tracking results has helped deliver on another of my earlier commitments: enhancing the availability of system-wide data on the UNDS support to the SDGs. In 2020, UN Info became mandatory for all UNCTs embarking on a new Cooperation Framework.
- 104.We are moving firmly towards our objective of ensuring robust system-wide reporting on our support to the SDGs by 2021. With better data and capacities in RC offices, it has also been possible to enhance the visibility and transparency around UNCT activities. DCO and the Department of Global Communications are working hand in hand to provide enhanced communications support and toolkits to colleagues in UNCTs. In 2019, we have also launched more informative websites of the UNSDG and progressively in UNCTs. UNICs also began migrating their websites to UNCT-wide web platforms.

2. Strengthening results-based management in our collective support to the 2030 Agenda

- 105. With the SDGs as the ultimate guide, 22 UNDS entities have developed common methodologies for planning and reporting on results, taking important and somewhat overdue steps to harmonize approaches, definitions and indicators. UNDP, UNICEF, UNFPA and UN-Women have committed to collaborate on six common results areas, and related indicators, in their respective Strategic Plans for 2018-2021. WFP has also made similar efforts to align to the UN harmonized terminology for results-based management. These approaches help facilitate engagement with national governments and allows for better measurement of the system's joint contribution to achieving the SDGs.
- 106. The progress is clear. The vast majority (91%) of RCs reported in surveys an improvement in the system's focus on common results in the last year. Data also suggests strong national ownership, with 86% of host governments reporting that they have a national system in place to report, together with the UNCT, national progress towards the SDGs. Seventy-eight per cent of governments also reported that a Joint National-UN Steering Committee (or similar body) was in place to jointly oversee the Cooperation Frameworks.

3. System-wide evaluation to advance shared learning and accountability for the 2030 Agenda

- 107.In my December 2017 report (A/74/73), I stressed the critical role of independent system-wide evaluation to strengthen oversight, transparency, and accountability; and to incentivize joint work and collective learning among the UNDS. This is a key commitment by the UNDS as part of the Funding Compact. In response to my report, the General Assembly welcomed "the strengthening of independent system-wide evaluation measures by the Secretary-General, including improving existing capacities" (A/72/279).
- 108. Guided by this mandate, I have further detailed the approach to strengthen the quality and independence of system-wide evaluations. I have done so in close consultation with Member States, entities of the UNSDG and the United Nations Evaluation Group (UNEG) the interagency professional network that brings together evaluation offices of the entities of the UN system. We have also carefully reviewed the lessons from previous efforts in piloting independent system-wide evaluations.
- 109. The analysis and consultations have revealed specific gaps that continue to hinder our ability to provide highquality system-wide evaluations to inform oversight by Member States, in line with JIU statutes that encourage the strengthening of internal oversight mechanisms. The analysis and consultations also helped refine our plans to strengthen the existing architecture.

Figure IX

Gaps that the proposed measures seek to address to strengthen system-wide evaluations

The existing gaps

Evaluation of the system's collective support to SDGs remains fragmented and not in line with broader efforts towards greater collaboration

Lack of clear institutional function and leadership for evaluations of UNDAF/Cooperation Frameworks

There is a lack of institutional mechanism to discuss system-wide strategic implications from evaluations and issue management response

Effects and risks of the gaps

Inadequate accountability and learning on the UNDS support to the SDGs, also leading to insufficient incentives for inter-agency collaboration

Country-level UNDAF/Cooperation Framework evaluations are dispersed and not credible to inform a more effective UNCT response to accelerate progress on SDGs during the Decade of Action

Risk that joint UN efforts do not inspire full confidence as system-wide evaluative evidence is missing from the project cycle management

- 110. To address these gaps, I have decided to proceed with establishing a dedicated capacity to help coordinate system-wide evaluations. It will be named the 'UNSDG System-wide Evaluation Office', to ensure clear anchoring in the UNDS and reaffirm its country orientation.
- 111. The Office will help conduct system-wide evaluations designed to complement—not replace—the evaluative work of UN entities. In other words, they will focus on joint activities that cannot be adequately addressed through other existing UN accountability mechanisms.
- 112.At the country level, the focus will be on the evaluation of the Cooperation Framework and related joint activities. At the regional level, system-wide evaluations will focus on collective support to the SDGs and knowledge management activities coordinated within the respective Regional Collaborative Platforms. They will also cover regional level engagement to support country-level Cooperation Framework evaluations. At the global level, the focus will be on the planning, conducting, reporting and resourcing of system-wide evaluations, and sharing knowledge across them. Multi-Partner Trust Funds such as the Joint SDG Fund, the Spotlight Initiative Fund, and the UN COVID-19 Response and Recovery Fund where a large number of UN entities are working towards a common objective will be evaluated. System-wide evaluations at the three levels will be mutually reinforcing.
- 113.As the system-wide evaluations will rely on existing capacities, it is crucial that UNDS entities proceed in their efforts to strengthen respective evaluation functions. In 2019, 89% of entities who responded to the DESA survey reported that the evaluation unit of their organization met UNEG standards for independence; compared to 73% of entities in 2014. Close to 90% confirmed having an evaluation tracking system on the status of evaluations and management responses. In addition, 82% reported that there is a management response for over 75% of evaluations. Fewer (68%) report that these management responses are available online.
- 114.I have considered various options for the location of the System-Wide Evaluation Office and how best to respond evaluation report findings and recommendations. We must continue to rely on the critical mandates and expertise of existing evaluation offices such as OIOS or the Joint Inspection Unit, which perform crucial independent oversight. The work required on system-wide evaluation complements the remit of these offices. The Office will become an integral member of the UNEG, fully leveraging the work of evaluation offices of individual entities, maximizing existing capacities and minimizing additional costs. Steps will be taken to ensure that the Office is functional in 2021 to help provide the much-needed system wide evaluative evidence for learning and accountability during the Decade of Action.
- 115. To ensure full independence and credibility, I find it necessary for the Office to report directly to me, with the authority and discretion to submit reports at the appropriate level of decision-making. The Office will collaborate closely with DCO to ensure direct access to the UNSDG and UN country teams. This is particularly important for evaluations of Cooperation Frameworks. Operating with full freedom to perform its functions, the Office will have the prerogative to share reports directly with the ECOSOC. I encourage Member States to make full use of the new mechanism and request that the evaluation reports be shared with the ECOSOC Operational Activities Segment to complement with an independent perspective the reports on system-wide activities provided by the Secretariat.
- 116. This will be a lean office, led at the Director level, and resourced through extrabudgetary resources and secondees from various UN entities, with a total annual cost not exceeding US\$2,5 million. I will keep Member States fully informed as we move ahead in establishing the Office and as we seek any necessary legislative approval for creating the position of Director.

B. Strengthening executive guidance and oversight of the UNDS

117.I have underscored from the early days of this process that cohesive guidance by Member States would ultimately define the success of these reforms. At the time, Member States preferred not to move ahead with the option of merging some of the UNDS governing bodies. They committed instead to ensuring consistency in their guidance across Boards and improving their functioning. I am grateful for Member States' efforts in

this regard. As a result, there has been steady progress in improving the work of the Executive Boards, both jointly and individually.

- 118.It was impressive to see Member States coming together across governing bodies around the globe to support the UNDS repositioning and enable cost-sharing payments. Many Governing Bodies issued decisions to facilitate the implementation of reforms by each agency. The joint meeting of the Boards of UNDP/UNFPA/UNOPS, UNICEF, UN-Women and WFP also playing a central role in advancing efforts toward coherence and collaboration, building on the precedent of the "common chapters" by UNDP/UNFPA/UNOPS, UNICEF and UN-Women to guide joint support to the 2030 Agenda.
- 119.Significant progress has taken place in ensuring more effective and harmonized working methods across the Boards of UNDP/UNFPA/UNOPS, UNICEF, UN-Women and WFP. Beginning in 2017, the Presidents of the respective Executive Boards have initiated discussions on how to enhance system-wide coherence and efficiency, reduce duplication and build synergy across the governing bodies of the UN development system. Actions included improving transparency in Bureau and Board meetings, identifying new ways to brief regional groups on Bureau proceedings, limiting and promoting a better balance in participation in field visits, and using the joint meeting of the Boards to discuss issues of common interest.
- 120.Implementation is well underway. The Presidents of the Boards continue to meet regularly and respective Bureaux are playing an incresingly important role in driving decision-making by consensus. There is a clear trend towards joint and group statements by Member States at Board meetings and streamlined handover between bureaux. UNDP/ UNFPA, UNICEF and WFP have developed a stronger, more efficient approval process for Country Programme Documents. Informal consultations and briefings have grown in number. By deliberately choosing themes of common interest, Member States now show greater ownership and the volume of documentation has fallen while PaperSmart usage has risen. To further improve the structure and scheduling of the Executive Board sessions, the Boards are expected to consider later in the year ways to rearrange the 2021 workplan and to reflect harmonized common agenda items across the Boards.
- 121. These are important steps and I will continue to count on the support of every Governing Body to ensure all entities forge ahead and maximize the opportunities offered by these reforms to transform the way we support countries.

C. Transforming the ECOSOC's Operational Activities Segment into an effective accountability platform

- 122.In GA resolutions 72/279 and 72/305, Member States decided to strengthen the Operational Activities Segment as a platform to ensure accountability and accelerate system-wide performance and results to advance the 2030 Agenda, providing guidance and oversight to the United Nations development system. This is essential to ensure system-wide guidance by Member States is well implemented on the ground.
- 123. The ECOSOC Bureau has taken several actions in this direction. Between 2017 and 2019, the Segment served as a key forum for Member States and other stakeholders to advance the 2016 QCPR and my proposals to reposition the UNDS. The Segment has also provided opportunities for the Deputy Secretary-General and me to directly address Member States on these issues. The Segment continues to offer space for Member States to hold the system accountable for progress in better servicing the 2030 Agenda. By requesting that the UNSDG Chair reports on the work of DCO, the ECOSOC Operational Activities Segment confirmed its natural role as the oversight body for the resident coordinator system.
- 124.As of 2021, I will also provide, as part of our annual reporting to the ECOSOC Operational Activities Segment information "on system-wide support to the SDGs" and "system-wide results". This was mandated in General Assembly resolution 72/279 and constitutes a commitment by the UNSDG as part of the Funding Compact. This will ensure that the reporting on the system's activities is clearly linked to the ultimate test of these reforms: results for people.

125.We must continue to work together to strengthen the ECOSOC's Operational Activities Segment as an accountability platform. It is also critical for the Presidents of the General Assembly and the ECOSOC to jointly ensure that the bodies are synergistic in their action on sustainable development, making full use of their prerogatives as set by the UN Charter. As the reforms consolidate and we head towards a new QCPR cycle, I envision an ECOSOC Operational Activities Segment that is better positioned to hold us accountable, push us further and capitalize on the ongoing reforms to strengthen its policy guidance on SDG implementation.

IV. Implementation of the Funding Compact and related funding trends

A. The road so far in implementing the Funding Compact

- 126. The endorsement of the Funding Compact between Member States and the UNDS in 2019 marked a milestone in our efforts to transform the UNDS. The compact establishes mutual commitments to help improve the funding base of UNDS and provide further incentives for collaboration. At its heart lies the recognition that a fundamental shift is required by both the UN and Member States to enable the transformative, collaborative action needed to help countries achieve the 2030 Agenda.
- 127. The Funding Compact aims to address high levels of earmarking and fragmentation in funding patterns that are proven to increase transaction costs and competition within the system, ultimately compromising the multilateral nature of the UNDS. In turn, the Compact includes a set of commitments to ensure a more transparent and accountable deployment of resources by the UNDS.
- 128. With the Funding Compact still in its initial steps, there are some early positive signs. There has been progress on 69 per cent of indicators under Member State commitments and 60 per cent of indicators under UNSDG commitments (Figure X). It is premature conduct any robust analysis on the Funding Compact's impact on the quality and quantity of funds entrusted to the UNDS, as 2019 and 2020 data are not yet available. But there are positive developments, particularly regarding the quality and flexibility of earmarked funds, which we will continue to monitor closely.

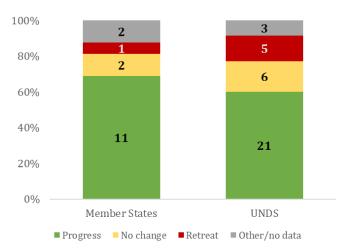


Figure X Progress on Funding Compact commitments

Source: UNDESA/OISC.

Notes: The "other/no data" group includes yes/no indicators with a future expected completion date; indicators that are not yet measurable as methodology is still being developed; and indicators with no previous/baseline data point to compare the current value to.

129.Overall, funding for operational activities for development by UN entities has increased in 2018, totalling \$36.4 billion - an increase of 8.2% compared to 2017. About half of this amount funded development-related activities, while the other half was allocated to humanitarian activities –consistent with the trend since 2015. What is encouraging is that core funding is also increasing, albeit only slightly. In 2018, 28% of funding for development activities was in the form of core resources - those funds that are not earmarked to any particular programme or project. Excluding assessed contributions, only 21% of voluntary funding for development activities was core. We still have a long way to go to meet the Funding Compact commitment of 30% of core resources by 2023.

Table 2Funding Compact: Member States commitment 1

| To increase core resources for the UN development system | | | | |
|---|-----------------|---------------|-----------------|-------|
| Indicator | Baseline | Target | Latest value | Trend |
| MS. 1.1. Core share of voluntary funding for development-related activities | 19.4% (2017) | 30% (2023) | 20.8% (2018) | Û |
| MS 1.2. Core share of funding for development- related activities (including assessed contributions) | 27.0% (2017) | 30% (2023) | 28.3% (2018) | Û |

130.It is clear that meeting the Funding Compact target on Core will require a different pathway for each funding partner. When looking only at voluntary contributions, 71 Member States already provide at least 30% of their contributions as core, including 8 of the top 20 contributors to UNDS. I count on others to follow this example. The funding base for Core remains too narrow, with the top 3 providers of core resources (Sweden, the United Kingdom and the United States) accounting for 34% of all core contributions made by Member States in 2018. Yet, I am encouraged that close to 70% of UNSDG entities saw an increase in the number of contributors of voluntary core resources compared to 2016. Overall, core funding by developing countries has risen by 85% since 2015, taking the share of total contributions from developing countries to Core from 16% to 23%.

Table 3

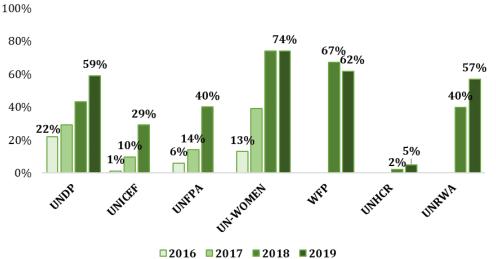
Funding Compact – UNSDG commitment 3

| To broaden the sources of funding support to the United Nations development system | | | | | |
|--|----------|----------|-----------------------------------|-------|--|
| Indicators | Baseline | Target | Latest value | Trend | |
| UN 3.1. Percentage of UNSDG entities reporting an | 67% | 100% | 69% | 介 | |
| annual increase in the number of contributors of | (2017) | (2023) | (2108) | - | |
| voluntary core resources | | | | | |
| UN 3.2. Number of Member State contributors to | 59 & 27 | 100 & 50 | 46 & <mark>tbd⁵</mark> | Û | |
| development-related inter-agency pooled funds and to | (2017) | (2021) | (2018) | | |
| single-agency thematic funds | | | | | |
| UN 3.3. Number of Member State contributors to the | 28 | 100 | 36 | ① | |
| resident coordinator system budget | (2019) | (2021) | (2019) | - | |

131.A noticeable improvement can also be observed in multi-year core funding – critical to improving the predictability of funding. Figure XI shows the recent trend in multi-year core funding received by seven entities that account for over 85% of all voluntary core funding received by the UNDS. Six out of these seven entities have seen a recent increase in the proportion of core funding that is part of a multi-year agreement. In several cases, the increase has been significant.

⁵ Number of contributors to thematic funds not available for 2018





Source: UNDESA/OISC

- 132. There are initial signs that the shift required to double the share of non-core/earmarked contributions to pooled funds, as called for in the Funding Compact, is beginning to take hold. It is early to establish a definite correlation, but the increase in contribution to pooled funding compared to individual projects may be a response to the adverse incentives provided by the 1% levy on earmarked funds that forms part of the RC system hybrid funding model. The trend will become clearer as future data becomes available. Contributions to inter-agency pooled funds totalled \$2.46 billion in 2018, an increase of 19% compared to 2017. About 38% of these contributions went to funds with a development focus. Funding to development-related interagency pooled funds has increased by 78% since 2016 and now represent 7.1% of all non-core funding to UN development-related activities, compared to the Funding Compact target of 10% by 2023. Overall, 27 Member States provided at least 10% of their non-core funding to inter-agency pooled funds, including 16 of the top 20 contributors.⁶
- 133.We are also seeing an increase in funding to agency-specific thematic funds. In 2018, an estimated \$720 million was contributed to such funds, representing an increase of 36% compared to 2017. This includes \$452 million for funds with a development-related theme, which translated to 3.4% of all non-core funding to development activities in 2018. The Funding Compact sets a target of a 6% share by 2023.
- 134. The Funding Compact also includes dedicated targets relating to the Joint SDG Fund and the Peacebuilding Fund. Disappointingly, with only slightly increased contributions in 2019, these 2020 targets will not be reached. In 2019, contributions to the Joint SDG Fund amounted to \$55 million, a slight increase over 2018, but well short of the Funding Compact target of \$290 million annually in 2020. In 2019, contributions to the Peacebuilding Fund, currently supporting 200 projects in 51 countries, amounted to \$135 million, a modest increase from \$129 million in 2018 and well short of the 2020 Funding Compact target of \$500 million. I call on all partners to step up in support of these critical complementary funding tools, which produce results on the ground while fostering UN coherence and collaboration.

⁶ See online statistical annex for details (<u>https://www.un.org/ecosoc/en/content/2020-secretary-general%E2%80%99s-report-implementation-qcpr</u>).

Table 4 Funding Compact – Member State commitment 2

| To double the share of non-core contributions that are provided through development-related pooled funds and single-agency thematic funds | | | | | |
|--|-------------------------|-------------------------|-------------------------|-------|--|
| Indicator | Baseline | Target | Latest value | Trend | |
| MS 2.1. Percentage of non-core resources for development related activities channelled through inter-agency pooled funds | 5.0% (2017) | 10.0% (2023) | 7.1% (2018) | 仓 | |
| MS 2.2. Percentage of non-core resources for development-related activities channelled through single-agency thematic funds | 2.6% (2017) | 6.0% (2023) | 3.4% (2018) | 仓 | |
| MS 2.3. Annual capitalization of the Joint Fund for the 2030 Agenda | \$43 million (2018) | \$290 million (2020) | \$55 million (2019) | Û | |
| MS 2.4. Annual contributions to the Peacebuilding Fund | \$129 million (2018) | \$500 million (2020) | \$135 million (2019) | 仓 | |

- 135. The Funding Compact is fundamentally about mutual accountability. On its side, the UNDS is taking steps to enhance transparency and incentivize investments by partners. The Multi-Partner Trust Fund (MPTF) Office has redesigned its Gateway digital platform, to be launched in 2020. It will include a results-based management system that financially links all interventions to SDG targets and provides better reporting on programmatic and operational performance. Entities receiving resources from pooled funding including multipartner trust funds are also taking measures to improve visibility for funding partners and results.
- 136.We have also made headway in improving reporting on system-wide funding flows. This has traditionally been hampered by a lack of clear definitions and harmonized classifications for different types of funding UNDS entities receive. As part of a "Data Cube initiative", in early 2019 the UNSDG and the Chief Executives Board jointly developed a set of data and reporting standards that apply across all UN entities. The new data standards were designed to fully align funding data with the SDGs, as part of the broader reform efforts. This is a key step forward in delivering on the Funding Compact target for all entities to allocate their expenses by SDGs by 2021. Currently, only 10 UNDS entities do so. The new data standards also align with reporting requirements of the International Aid Transparency Initiative and OECD/DAC. Another positive development was the holding by several Governing Bodies of structured funding dialogues with their respective UN entities, to help accelerate progress on Funding Compact commitments.

Table 5

| Funding Compact – UNSDG commitment 6 | | | | | |
|---|---------------|----------------|---|-------|--|
| To improve the clarity of entity-specific strategic plans and integrated results and resource frameworks | | | | | |
| and their annual reporting on results against expen | ditures | | | | |
| Indicator | Baseline | Target | Latest value | Trend | |
| UN 6.1 Fraction of UNSDG entities that in their respective governing bodies held structured dialogues in the past year on how to finance the development results agreed in the new strategic planning cycle | 62% (2018) | 100% (2021) | 57% (2019) | ¢ | |
| UN 6.2. Centralized, consolidated and user-friendly online platform with disaggregated data on funding flows in place at the entity level and system-wide | No (2018) | Yes (2020) | Methodology roll out in 2020 ⁷ | 仓 | |

⁷ Under development led by the EOSG

B. Delivering on our collective commitments

- 137.Overall, I am encouraged with the progress made. One year after its endorsement, advances towards the Compact's targets have been inevitably uneven. And a more complete overview of progress on implementation can only be provided once data is available for 2019 and 2020. But it is already apparent that implementation is taking place across the UNDS and we are on the right path. We must now move ahead with the same determination we have shown so far in meeting our commitments. The monitoring of the Funding Compact must be regular and rigorous.
- 138. The first stocktaking of the compact's health has shed light on the lacunas we must close. I call on all entities to continue to take all required steps to deliver on respective commitments. All entities must also do whatever is necessary to adjust reporting systems, address consistency gaps and report funding data in a timelier fashion. I count on DCO to facilitate regular follow-up with UNSDG funding partners.
- 139.I call on all Member States to continue implementing the Funding Compact and holding us accountable for our commitments in the ECOSOC and across all Governing Bodies. This fall, the QCPR will be instrumental in sustaining the momentum of the Funding Compact and in ensuring we stay on track to deliver on our mutual commitments.

V. Reinforcing support in multi-country office settings

- 140. Countries and territories serviced by multi-country offices (MCOs) have called for more, better and tailored support to meet their needs to implement the SAMOA Pathway and achieve the ambitions of the 2030 Agenda. This includes increased physical presence, increased policy and technical resources, facilitation of their deeper engagement in global and regional inter-governmental fora, strengthened data capacities, and support for enhancing access to financing for sustainable development and South-South and triangular cooperation
- 141.In response to these calls and to General Assembly resolution 72/279, I conducted a review of MCOs and, following extensive consultations in all 41 countries and territories covered by MCOs and with all partners, presented recommendations in my 2019 report to ECOSOC,⁸. ECOSOC took note of my review and called for "further inclusive consultations with all countries concerned on the multi-country office review … for its conclusion and to guide its implementation"⁹.
- 142. Over the period September 2019 to March 2020, OHRLLS has facilitated intergovernmental consultations to guide the implementation of measures to improve MCOs and ensure that they are fit to deliver the necessary support that each country needs to advance the 2030 Agenda.
- 143.Over the course of the consultation process, Member States benefited from the engagement of the UNDS and DCO, who unpacked my 2019 recommendations and provided further details of proposed enhanced substantive support and coordination measures.
- 144.Specifically, a UNSDG inter-agency working group on the MCO review comprising 25 entities coconvened by UNDP and UNEP - looked at concrete ways to enhance UNDS capacities for tailored, technical and policy support, and a more coherent, effective and efficient coverage and substantive collaboration for results in MCO-covered countries. In addition, DCO mapped and costed the required increase in coordination capacities and resources to improve the ability of the RC system to enable national governments to better access, navigate and benefit from the UN offer.

A. Improving the UN development system offer in MCOs

145. To address Member State requests, and on the basis of the work carried out by the UNSDG, I recommend a series of detailed commitments in six areas for action.

146.First, to ensure a more tailored technical and policy support to countries and territories serviced by MCOs, UNDS entities will review and adjust their programme response and resource allocation in support of SIDS priorities.

- 147. The UNDS will review their specific programmatic assistance to SIDS and develop new or updated SIDS offers/programmes by the end of 2020. In parallel, UNDS entities will also revisit existing entity resource allocation models, in consultation with their respective governing bodies, to explore the possibility to go beyond country typology and national income, and consider vulnerability aspects, in the allocation criteria for core resources.
- 148. The system will also establish SIDS-specific Priority Theme Groups (PTGs) in order to provide easier and faster access to integrated and tailored policy expertise, crowd-in internal and external expertise, strengthen analysis, policy development and the creation of partnerships, and serve as a substantive resource point for governments, RCs and UNCTs, in coherence with UN regional assets.
- 149. These measures will add to the development of individual country plans for all countries serviced by MCOs, which I recommended last year, to ensure clarity and agreement with national governments on the collective and entity-specific activities tailored to the needs of every country. They will also build on existing

⁸ A/74/73–E/2019/14

⁹ Resolution E/RES/2019/15 (OP 9)

intergoverntal processes and capacities to support SIDS – including those supported by ECLAC and ESCAP in their respective regions.

150.Second, to enhance and align capacities and physical presence in MCO settings, UNDS entities will take concrete steps to review their expertise and organizational arrangements on the ground.

- 151.UNDS entities will reprofile, strengthen and/or increase their expertise on the ground by end of 2021. As I recommended last year, those entities who have not yet done so, will also review and delegate authorities to staff at the country level by the end of 2020.
- 152.In parallel, entities will establish SIDS focal points at sub-regional, regional and/or HQ levels, to ensure tailored and coordinated follow-up to the SAMOA Pathway and to address cross-cutting/horizontal priorities.
- 153.Entities will also review and take concrete steps to align entity coverage and presence with MCO arrangements for optimal support to countries and territories by the end of 2020, and take immediate concrete steps to align and better utilize UN regional assets, in line with Member States' decisions on the regional review.
- 154. Third, to leverage SDG financing and improve access to finance, sustain ODA, mobilize private investments, support debt sustainability and ensure adequate and predictable financing for sustainable development priorities and the SDGs, the UNDS will strengthen policy support on financing for development and provide instruments and tools addressing the specific financing needs of countries and territories serviced by MCOs.
- 155. This includes supporting governments in estimating how much investment is needed to achieve particular development results to 'crowd in' additional domestic resources, harness private sector financing mechanisms, and further mobilize development assistance. It will also include advocating for, and supporting development of, debt swap initiatives, social bonds, social impact investment and other innovative financing tools, partnering with international financial institutions and regional development banks. It will see the UNDS further promote and strengthen the UN role to generate private sector and large-scale financing through sustainable financing models.
- 156. The UNDS will also continue to provide, strengthen and reaffirm consistent support and guidance to governments, civil society and private actors on innovative financing mechanisms, including by conceptualizing and exploring the set-up of an innovative finance facility, to address SDG costing, develop investment pipelines, catalyse large-scale integrated investment options, and identify region/subregion-specific ways to access private sector financing for the SDGs.

157.Fourth, the UNDS will work to strengthen data systems, data collection and data use for informed, disaggregated decision-making on SIDS priority issues.

158. This includes strengthening and initiating the roll out of national capacity-building programmes, in collaboration with regional economic commissions. It also calls for improved inter-agency and region-specific coordination mechanisms on data and statistics in support of countries and territories serviced by MCOs, in line with proposals to reprofile and restructure UN regional assets; and increase support to the collection of data and statistics and its use for evidence-based policymaking in issue areas of priority for SIDS.

159.Fifth, the UNDS will facilitate better integration and participation of MCO-serviced States in intergovernmental fora and processes.

160. This will include enhanced support in preparation for, and for participation in, UN-led processes, such as the High Level Political Forum, sessions of the Human Rights Council, intergovernmental meetings on climate change, disaster-risk reduction, development finance, etc. It will also see the UNDS support for investment in ICT infrastructure and webcast where relevant and possible to facilitate virtual participation, including in governing board meetings. 161.Finally, to foster South-South and triangular cooperation and cross regional learning in line with BAPA+40, the UNDS will map and share good practices relevant for SIDS, provide facilitation support for knowledge exchanges; provide cross-peer learning in preparation for intergovernmental processes; and connect countries and territories serviced by MCOs with potential partners, including other developed and developing countries, international financial institutions, development banks and the private sector.

B. Improving coordination capability in MCOs

- 162. To help maximize the impact of the UNDS substantive offer to all countries and territories serviced by MCOs, a number of measures will need to be taken to increase the coordination capacities and presence in MCOs.
- 163.**DCO will ensure that Resident Coordinators posted in MCOs and staff deployed in their RCOs have the right profile and skillsets**, including through MCO-specific selection and induction. DCO will also provide specific support to RCs, RCOs and UNCTs in MCOs to develop country plans and tailor multi-country Cooperation Frameworks to the specific development context, as per the guidance developed by DCO in late 2019 in consultation with UN entities.
- 164. In addition, 16 Coordination Officers will be deployed to countries not hosting an MCO hub (7 in the Caribbean, 8 in the Pacific and 1 in the AIS region). As primary UN coordination focal points under the leadership of RCs, these Coordination Officers will help to increase access by governments to the UNDS offer. Similarly, two Regional Coordination Officers will be deployed, one in the MCO based in Fiji and one in the MCO based in Barbados, to support RCs and Regional DCO Directors in building stronger synergies with intergovernmental regional and sub-regional organizations and to facilitate SIDS access to UN regional assets.
- 165.**DCO will also allocate additional coordination resources to MCOs for travel and other coordination activities**, such as support for the development of country plans for all countries and territories serviced by MCOs. These resources will be additional to the funding base allocation for coordination and travel that all RCOs worldwide receive. No resources will be diverted from one region to another to ensure this additionality. All MCOs will receive the same allocation base from the SPTF, funding will only vary based on the number of countries and territories covered.
- 166. Finally, following consideration by Member States, I will take the legal, administrative and management steps to establish an MCO in the North Pacific. It is estimated that the establishment of a new MCO, and deployment of the first dedicated MCO staff member, will take place within 6 months of decision by Member States. Near-full operationalization of the MCO, including an RC on board, the legal agreement and dedicated premises, may require an additional 3 to 6 months.
- 167. The cost of strengthening MCO coordination will be drawn from the SPTF. These changes will be budget neutral, with costs offset by savings made in transitioning most UN Information Centres (UNICs) into Communications Officer posts as part of the standard RCO staffing structure. These posts will continue to be covered by the budget of the Department of Global Communications (DGC), freeing up funds in the SPTF originally allocated to such Communications Officers.
- 168. Additional resources for coordination in territories serviced by MCOs will need to be funded outside the SPTF. Existing MCOs currently cover 29 Member States and 12 territories, who are either non-self-governing territories, constituent countries of UN Member States or countries in free association with UN Member states. The 12 territories will continue to be serviced by their respective MCO hubs. However, territories will not receive in-country Coordination Officers funded through the SPTF. Any coordination presence in situ will need to be funded by other sources, such as through contributions by the Member States to which they relate and/or other funding partners.
- 169.Member States can count on my commitment to ensure that the implementation of these recommendations will be closely monitored and adjustments made where necessary, in consultation with the countries concerned.

170.I am encouraged by the leadership and full commitment of the Principals of the UNDS to implement measures to enhance the substantive and coordination offer to MCOs immediately. By tailoring the UNDS assets and maximizing their impact through stronger coordination, these measures will allow to deepen the support and extend the reach of the system to all countries covered by MCOs, particularly SIDS. Ultimately, this will translate into stronger policy support to countries as they deal with complex trade-offs to achieve the SDGs; find ways to expand the fiscal space, dealing with debt challenges and mobilizing financing; and more robust operational support on the ground. Decisive action by Member States on the above recommendations will enable us to take critical steps to accelerate action to achieve the 2030 Agenda and advance the SAMOA Pathway in MCO settings.

VI. Harnessing the regional assets of the UN development system to achieve the 2030 Agenda

A. Leveraging the UN's regional value for country, sub-regional and regional support

- 171.A strengthened UN response at the regional level is essential to maximize the impact of our support to the 2030 Agenda in every country. This simple, yet important realization has remained at the core of the regional review process over the last 2 years as we pursued greater cohesion, impact and transparency of UN regional assets to support results on the ground. My last report has provided extensive data on the UNDS capacities at the regional level including an unprecedented overview of functions, staff numbers and budget envelopes across the UN presence¹⁰.
- 172.Further to ECOSOC resolution 2019/15, the regional review process has focused on the urgent need to enhance transparency, reduce the fragmentation of our policy work in the regions and better connect these assets to the country level. The rationale is clear: the heightened demands of the 2030 Agenda and the cross-border, sub-regional and regional challenges that countries face in their journey require a more collaboratively UN regional presence. This is the key to unlock the wealth of expertise at the regional level.
- 173.For the first time ever, we see the emergence of a sigle coordination system with buy-in across all entities of the UNDS in the regions, to ensure UN-wide coherence and avoid duplications in our support to the SDGs. In doing so, we are addressing a historic deficit. Indeed, the regional level still operates under an architecture loosely defined in the late 1990s, while previous attention and reform efforts since have largely focused on coordination at the country and global levels. We cannot afford to continue to ignore the regional level, especially at a time where countries expect optimal support from the UN without exceptions.
- 174.I am already encouraged to see that support provided to countries by regional commissions is now better coordinated with RCs and UNCTs, ensuring a more coherent and transparent collective response to country demands. Conversely, with RCs serving as a conduit, UNCTs have a greater ability to leverage the extensive expertise of regional commissions, including in economic development, to support country action. There is now a systematic effort to ensure that RCs and all new DCO regional directors pay a familiarization visit to the relevant regional commissions and cooperation in support of country priorities has notably increased. Feedback by RCs and progamme country governments on the benefits of this new form of collaboration is positive. Several entities are also looking into ways to realign their regional approach to enable a more collaborative regional architecture. UNV, for example, moved staff who manage their regional portfolio out of HQ to the regional hubs in Bangkok, Amman, Nairobi, Dakar, Istanbul and Panama City, to seek synergies with other UN entities.
- 175.We now have an opportunity to institutionalize the progress made and take it to the next level. I remain convinced that the best way forward is to advance in line with the five transformative areas I put forward to Member States last year, following consultation with UNDS entities and independent insights by external sustainable development experts from different regions coordinated by Cepei, a think tank of Latin America and the Caribbean.
- 176. The five transformative areas include:
 - i. the creation of "UN Regional Collaborative Platforms" (RCPs), that would absorb existing, duplicative coordination mechanisms to foster collaboration on sustainable development across UN development system entities operating at the regional level;
 - ii. the establishment of strong knowledge management hubs in each region, by pooling together policy expertise currently scattered across entities;
 - iii. efforts to enhance transparency and results-based management at the regional level, including through annual reporting on UN system-wide results at the regional level in support of the 2030 Agenda;

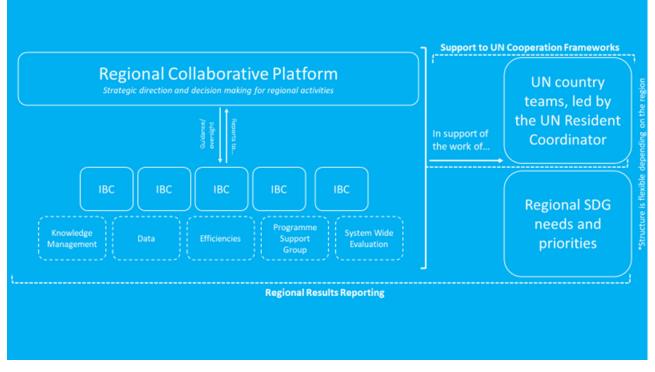
¹⁰ Reference for SG report, Dalberg mapping of functions and capacities in the regions, and CEPEI report.

- iv. the launch of a region-by-region change management process to consolidate existing capacities around data and statistics; and
- v. the identification of administrative services that could be provided more efficiently to regional offices through common back offices (HR, procurement, common premises, inter alia), similarly to our efforts at the country level.
- 177. An Internal Review Team, with the participation of regional commissions and UNSDG entities, under the leadership of the Deputy Secretary-General and coordinated by the Special Adviser to the Secretary-General on Reforms, held robust discussions on each of these areas and ensured ownership on the way forward. In each region, dedicated interagency teams, co-led by Executive Secretaries of the regional commissions and the UNDP regional directors, as chairs of the regional teams of the UNSDG, provided recommendations on how to implement measures identified for the five transformative areas, on a region-by-region basis. The regional offices of DCO have supported this process to help ensure coherence with broader reform efforts.
- 178.In line with the ECOSOC request for "*inclusive, intergovernmental consultations for the finalization and implementation of the regional review, on a region-by-region basis*", consultations were held with Member States in different formats, including regional groupings and in plenaries. These revealed general support for moving from the current loose coordination to more effective collaboration of regional assets. It also allowed for robust dialogue and clarifications on the expected benefits of all envisioned change measures. I am grateful to all Member States for engaging in a spirit of partnership, asking the hard questions, helping us finetune the proposals, and enriching them with their views along the way. Today, I can confidently say that the regional level has embraced the reform. We must seize this momentum and move forward together.

B. The common elements in strengthening the regional architecture of the UNDS

- 179. The Regional Collaborative Platform (RCP) will bring together the existing structures of the Regional Coordination Mechanism and the Regional UNSDG, which have coexisted in previous years with obvious duplications in composition and often in activities. The RCP will be an internal platform for inter-agency collaboration, akin to UNCTs or the UNSDG. It is important to be clear on a few parameters. First, RCPs are not an intergovernmental forum. Second, they are not designed to create new regional initiatives, but rather optimize what exists. Finally, RCPs are not a new oversight mechanism for UNCTs or RCs, who continue to report directly to me. The RCP have a clear and simple objective: in a cost-neutral way, to ensure coordination, collaboration and best use of UN expertise and assets across UNDS entities at the regional level. This is important so that our efforts do not duplicate horizontally (across regional entities) or vertically (with global or country activities). Ultimately, the RCPs will bring leadership, accountability and clarity to system-wide goals, activities and results in the regions to amplify support to countries by UNCTs.
- 180. The RCP will be chaired by the Deputy Secretary-General, in the Capacity of UNSDG Chair, with the USG of the respective regional commissions and the UNDP regional directors at the ASG level as vice chairs. The RCP will meet under several configurations, including once a year under the Deputy Secretary-General, back-to-back with the Regional Fora on Sustainable Development, which remains the intergovernmental platform for follow-up and review of the 2030 Agenda at the regional level. The secretariat of the RCP will be provided by the regional offices of DCO, the regional commissions and UNDP, under the overall direction of the RCP chair and the two vice-chairs. Additionally, regional commissions and UNDP will provide the necessary logistic support for RCP meetings, drawing on their strong expertise and operational capacities. DCO will lead support to the chair in organizing the annual planning meetings of the RCP where the agenda for the year is set and progress of the previous year is reviewed. It will also provide support to the vice-chairs throughout the year, alongside the other secretariat members.

Figure XII Proposed Regional Architecture of the UNDS



- 181. The regional chapter of the **Management and Accountability Framework** will be developed to ensure consistency with its country-level component, and to capture the relationships within and across the RCPs.
- 182.Most existing working mechanisms currently under the regional UNSDG and the RCM will be realigned through timebound **Issue-Based Coalitions** (IBCs), which will bring together the existing expertise of the regional UNDS entities to foster collaboration around issues that transcend national borders for example, trade, global health, human trafficking, climate change or issues for which multiple RCs and UNCTs seek regional support and guidance. They will be led by no more than 2 or 3 members. In all regions, IBCs will be demand-driven and will respond to specific needs and priorities of countries or demand from respective UNCTs. Issue-Based Coalitions will reflect the varying policy priorities in each region.
- 183.An analysis of the current thinking across regions shows that each RCP will take a unique approach in establishing its IBCs. Climate change, resilience building and human mobility in its different forms are common issues being considered as dedicated IBCs in all regions. Urbanization is a focus area in Europe and Central Asia, Asia-Pacific and Arab States, but not a dedicated IBC in the other region. Gender, human rights, youth are elements being considered in all regions albeit in some regions they would be mainstreamed while in others they would feature as specific IBCs. A strong focus on economic transformation is also visible in all regions, albeit with different entry points. Other IBCs are unique to their regions for example the focus on crime and violence in Latin America and the Caribbean. While only the Europe and Central Asia region has considered an IBC on health at this stage, others are currently examining ways to reflect a COVID-19 lens across all IBCs.

Figure XIII **Current thinking on IBCs**

| Current thinking on IBCs | EUROPE AND CENTRAL ASIA | ARAB STATES |
|--|--|--|
| LATIN AMERICA AND THE CARRIBEAN Human mobility Equitable growth Crime and violence Governance and Institutions Climate change and resilience AFRICA Data & statistical systems Macroeconomic management and | Health and wellbeing Gender Equality Adolescent and youth Social protection Large movements of people, displacement and resilience Data and Statistics Environment and climate change Sustainable Food System | Migration Urbanization Humanitarian/Development nexus Food security, climate action and the environment Climate Action and energy efficiency Water, food security and nutrition Adolescents and youth empowerment and inclusion Gender justice and equality Macro-economic management and social protection Economic Management: FFD, trade, debt Social protection Quality social services and community resilience Health and well-being Education and technology |
| economic transformation Demographic dividends (youth, gender) New technologies, digital transitions Climate change, resilience and energy transitions Peace, security and Human Rights Displacement and migration | Sustainable Urban Development ASIA PACIFIC Climate change mitigation Building resilience Inclusion and empowerment People mobility and urbanization Human rights and gender equality | |

- 184.In line with the second transformative area proposed for the regional level, all regions have also detailed their plans to pool existing overlapping expertise into common **Knowledge Management Hubs**. This is a pragmatic way to address duplication in existing activities and capacities and to transform these into opportunities for synergies. The hubs will allow countries to better identify and access available regional assets to respond in real time to national needs and priorities. The hubs will be accessible to Member States to monitor SDG implementation, amongst other things, and allow sharing of good practices. Interoperability of the hubs across the different regions is being assessed.
- 185.We have also moved ahead in consolidating **data and statistical capacities** in regions. SDG Gateways are being developed in all regions under the leadership of the regional commissions working with other UNDS entities with data collection responsibilities to provide consolidated data on SDG progress at the regional level acting as a one-stop-shop for SDG data. The SDG Gateways will help disseminate data consistently across the global and regional levels. They will be budget neutral, by consolidating existing capacities around data and statistics.
- 186.All regions have also defined the format of the **regional reports on system-wide activities** that they will start producing annually and for the first time ever. While the content of each report will reflect the regional specificities, their scope will be consistent. All regional reports will focus on collective contributions by regional level initiatives, including transboundary programmes in the thematic areas of respective IBCs. The reports will capture support by the regional level to country results. They are not meant to duplicate country-level reporting and will not cover agency-specific work. They will reflect the UNDS collective value proposition in the region. These reports will be shared with Member States in each region ahead of the respective regional SDG Fora. They will also inform reporting to ECOSOC at the global level providing Member States with the opportunity to better guide the efforts of the UNDS at all levels, including in the regions.
- 187.To deliver on our vision for more efficient operations at all levels, all RCPs will develop **regional level business operations strategies**. They will look into common services across regional offices hosted in the same city and they will complement UNCT business operations strategies with a comprehensive mapping of

the demand for common operational services to match it with potential suppliers, using cost efficiency and quality of services as guiding principles. Regional Operations Management Teams have been reactivated to develop and implement, together with DCO, regional business operations strategies in line with specific regional needs. This is the first time that the system has engaged in a collective exercise to identify services that can be handled jointly to ensure that our regional presence is more efficient, too. In the medium term, I am certain that the regional repositioning will not only prove beneficial for the advancement of the 2030 Agenda but also for cost-efficient operations of the UNDS.

C. The next steps foreseen in each region: an overview of the region-by-region approach

- 188. In Africa, the UNDS has a total annual budget for regional activities of close to US\$ 300 million¹¹, 20 per cent of which is allocated through regional commissions and 80 per cent delivered by other UN entities. In this region, the UNDS has taken a unique approach to ensure that the new regional architecture nurtures and reinforces the already strong collaboration with the African Union (AU). To this effect, the RCP work programme will include dedicated sessions with the AU to reinforce collaboration and track progress in implementing the UN-AU framework for the implementation of Agendas 2063 and 2030. Flagship initiatives for collaboration between the AU and the RCPs are already being discussed. And the various issues that will constitute the IBCs¹² in Africa align with key priorities defined together with the AU. This includes a special focus on the strengthening of data and statistics for the SDGs; economic transformation and diversification; helping African governments harness the democratic dividend and leverage new technologies for inclusive development; and strengthening natural resources governance and energy transitions to fight climate change. IBCs on displacement and peace, security and human rights are also being considered, underscoring the critical interlinkages between development, humanitarian action, peacebuilding and human rights in a region where many countries are still facing conflicts and large-scale emergencies. All IBCs in Africa are expected to produce draft workplans in early 2020 for implementation following consideration of the regional review by Member States.
- 189. The Africa Knowledge Management Hub will serve as a one-stop shop hosting multi-sectoral data, publications, learning resources and a roster of experts. It is expected, initially, to focus on the regional priorities reflected in the IBCs. The hub will help to identify, select, organize, disseminate and transfer important information/knowledge and expertise scattered across the system. It intends to serve as a connector across governments, UN entities, private sector, CSOs, and academia. The Africa SDG Gateway will be built on the basis of the ECA Integrated Planning and Reporting Toolkit to strengthen SDG tracking for the 2030 and 2063 Agendas. A first of its kind effort in piloting a regional Business Operations Strategies will commence in Nairobi.
- 190. The total annual budget for regional UNDS activities in the **Arab States** amounts to approximately US\$ 450 million, with regional commissions holding around 10 per cent of the budget and other UNDS entities delivering the remainder 90 per cent. The UNDS in Arab States is considering a set of IBCs that would build on working groups that were previously split across the Regional Coordination Mechanism and the Regional UNSDG. IBCs will cover issues including migration, urbanization, strengthening of social services for health, education and technology, as well as macroeconomic management (social protection, financing for the SDGs, trade and debt management). Similarly to Africa, the UNDS in the Arab States would also set up an IBC dedicated to the nexus between humanitarian and development activities, to enable action by UNCTs in specific crisis countries. The UNDS also foresees the establishment of dedicated IBCs for gender equality and youth-related issues.
- 191. The Arab region is well advanced in the development of its Knowledge Management Hub, which will be called "MANARA" (Lighthouse). Already at the prototype phase, MANARA builds on the ESCWA hosted UNDS data hub to also include assets from other entities in the region. It will use artificial intelligence to

¹¹ All budgetary figures in this section are estimates based on available data and complemented by surveys shared with all UNDS entities as part of the Mapping exercise conducted by Cepei in 2019. The full mapping was shared with the ECOSOC in the lead up to the 2019 OAS.

¹² In Africa, the terminology of "Opportunities/Issues-based coalitions" (O/IBCs) is being adopted to explicitly reflect a focus on helping the continent leverage opportunities to achieve its aspirations.

synthetize information on the SDGs from a vast array of knowledge products. In the Arab region too, the MANARA hub has been chosen to be the 'one-stop shop' for data and SDG-monitoring, in addition to pooling together knowledge products, learning resources, expert rosters and policy simulation tools. It will access data and knowledge products from across the UN system, national statistics offices and other non-conventional sources, including big data. The methodology for the roster of expertise has been developed and can be finalized shortly after the ECOSOC Operational Activities Segment. In advancing more efficient operations, ESCWA is already offering services and helping establish common services in Beirut, where it is located. It is currently hosting the RC Office in Lebanon, in addition to OCHA, UNIC and UNSCOL. This is a preliminary but encouraging effort on which to build.

- 192. The UNDS in **Asia Pacific** has a total annual budget of close to US\$ 290 million, with regional commissions representing approximately 26 per cent of the total and other UNDS entities the remaining 74 per cent. In transitioning to a new regional architecture, the UNDS in this region has identified five IBCs where there is strong demand by countries and existing capacities and resources across several entities. This includes climate change mitigation, with a focus on driving decarbonization and addressing the region's air pollution challenges; building resilience with a focus on disaster risk reduction, climate change adaptation and prevention of biological hazards; promoting inclusion through scaling up social protection and cash transfer in the context of COVID-19, especially for the most vulnerable populations; people mobility and urbanization; and mainstreaming human rights and gender equality. All IBCs are prioritizing actions in support of COVID-19 assessment and response.
- 193. The Asia Pacific Regional Knowledge Hub is already in place and can be fully implemented immediately once we transition to a new regional architecture. It will support UNDS entities in Asia Pacific to bring together knowledge and expertise and provide coherent policy advice to countries and UNCTs. The hub will be rapidly operationalized building on the existing SDG Helpdesk developed by ESCAP, which will now draw on resources of the broader UNDS. A roster of expertise and specialists from the UNDS in different areas of the 2030 Agenda will be added to the knowledge hub, starting with the most common asks for support from UNCTs. Accessible to both UNCTs and Governments, the Hub will also provide access to the Asia Pacific SDG Data Gateway that was launched in 2019. Drawing on official SDG data from the global databases, the Gateway provides SDG progress data, visuals and assessments and will be expanded to reflect national SDG progress assessments. Leading the way on results reporting, the UNDS in Asia Pacific already piloted the production of a system-wide report on UN regional results, which will also be shared with the Asia Pacific Forum for Sustainable Development. The UNDS in Asia Pacific has also established a regional operational team in early 2020 to develop a common business operations strategy, drawing on existing services provided by ESCAP to over 20 UN entities in the region.
- 194. In **Europe and Central Asia**, the UNDS has a total annual budget of over \$150 million, with close to 30 per cent of this budget being channeled through regional commissions and the remaining 70 percent through other UNDS entities. Moving forward, the UNDS team is anchoring the transition into a new regional architecture building on its already good track-record of collaboration. This region was admittedly already ahead of the curve in terms of collaboration between the regional UNSDG and the UN Economic Commission for Europe, and it was the first to adopt a mechanism akin to the proposed IBCs since 2018. UNDS entities in the region have reviewed the existing IBCs and are planning to maintain seven issue-based coalitions, covering health, data, gender equality, youth and adolescents, social protection and as in other regions climate change and large movements of people. The UNDS in Europe and Central Asia is also considering creating two additional IBCs to address issues relating to sustainable food systems and sustainable urban development, building on a longstanding work of UNECE in defining transport standards for the region. Workplans for each IBC are being developed in consultation with RCs in the region.
- 195. The knowledge management hub in Europe and Central will cluster available expertise and knowledge products, which will be made available in digital repositories and libraries. In addition, the hub will include a component on statistics for SDGs rather than the establishment of a separate SDG Gateway as in other regions. The knowledge hub will be leveraged by a dedicated IBC for data and statistics, which will help channel the data in support to countries through RCs and UNCTs. To advance common back-offices, a Regional Operations Management Team is currently being established to engage, in close collaboration with

the regional DCO desk, in a thorough assessment of areas where common services could be explored in the main locations where the UN presence is concentrated – Geneva and Istanbul.

- 196. Finally, in Latin America and the Caribbean the UNDS regional activities total approximately US\$ 365 million a year - with ECLAC representing around 20 per cent of this total, and the other UNDS entities the remaining 80 per cent. The consultations held in the context of the regional review confirmed a strong sense of ownership and wide appreciation across Member States in the region for the policy support received in previous years, in particular by ECLAC. The new regional architecture will build on this strong foundation, by focusing on the connection between ECLAC and the rest of the UNDS. The initial set of IBCs reflects a balanced prioritization effort leveraging the comparative advantages of all entities. There is a strong focus on equitable growth to address the region's historically high inequalities; advancing SDG 16 with a focus on policy support to reduce crime and violence, including violence against women and girls; and ensuring a riskinformed support to the 2030 Agenda with a focus on more ambitious NDCs and the identification of naturebased solutions for enhanced climate action. An IBC on governance would help the UNDS provide joined up responses to increasing requests for support in ensuring just, responsive and accountable institutions and efficient public service delivery systems. Finally, the IBC on human mobility would ensure a development perspective to address root causes of unregulated mobility in specific sub-regions and implications for national and regional development strategies. The region will prioritise gender equality and women's empowerment, and youth, as cross-cutting issues throughout all IBCs.
- 197. The UNDS in Latin America and the Caribbean is working to roll out in the first half of 2020 an SDG Gateway that will also serve as a Knowledge Hub for the SDGs. It will be coordinated by ECLAC and supported by a Steering Committee with other UN entities. The SDG Gateway will be open to UNCTs, Member States and the public. An expert roster reflecting the full range of expertise residing in the UNDS regional presence will also be available, organized around the IBCs. The prototype for the Gateway was already presented to Member States in November 2019 at the Statistics Conference of the Americas of ECLAC. In Latin America and the Caribbean, a Regional Operations Management Team will also be convened to prepare an interagency plan to advance common services. As a first step in this direction, ECLAC is already carrying out a joint procurement process for travel services in Chile on behalf of the system.

D. Seizing the momentum to move forward decisively

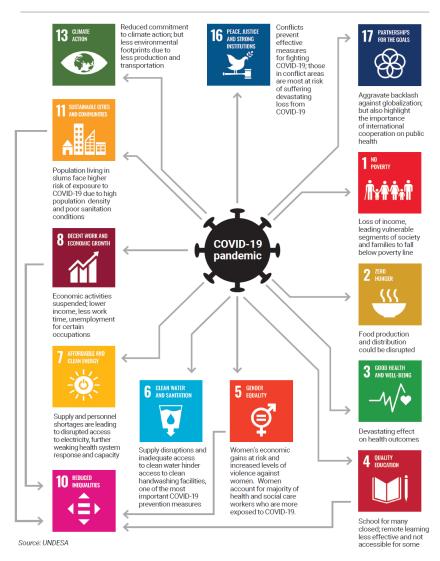
- 198. The regional review has been one of the most complex endeavors of these reforms. But it is also one of its central components. I am convinced that if we can find common ground in aligning expectations amongst Member States, we can transform the regional level and reassert its great value. The work that emanates from the regions can have a real impact on people's lives in countries, if we ensure that the policy work generated can draw on the expertise scattered across the system to be channeled to countries. The establishment of a new RC system has created an optimal channel to connect these efforts and clarify the demand; we must now organize the regional work to strengthen the offer.
- 199.Member States have asked me to present options to maximize the impact of UNDS regional assets, and I have responded with a package of interlinked activities that offer a practical, yet impactful solution. I do not deem the status quo a valid option. It would be another significant missed opportunity. The tangible steps described to finally address a historic deficit in collaboration, accountability and strategic guidance at the regional level is the product of extensive research and intensive discussions within the UN family, as well as an unprecedented dialogue with Member States and regional and subregional organisations on the value proposition and role of the regional level. Together we have come a long way, and we now have the basis and momentum to forge ahead.
- 200. At the end of the day, we all share the same objective: leveraging the UN regional assets to deliver better results for people on the ground. Implementation of this change package will generate clear benefits, as well as lessons that will allow us to continue to adjust and improve as we move forward. Deploying this new regional architecture can be done within existing budgets, drawing on the capacities of UNDS entities. Substantive work emanating from the regional entities and the IBCs will continue to rely on extrabudgetary support. I trust we will pass the market test.

201. I count on Member States to support my overall efforts to reposition the UNDS regional assets at the 2020 ECOSOC Operational Activities Segment. I am confident that we now have all the expected elements to make this happen and we must not let this opportunity pass. We are seeking, specifically, support to proceed with the establishment of a new regional architecture in line with the direction I have outlined in this report. This would allow us to commence implementation and course-correct, as necessary and with guidance from Member States, as we move forward. I remain committed to ensuring that Member States a transparent and consultative implementation process.

VII. From repositioning to results: Mobilizing an integrated whole of system response in support of the Decade of Action

- 202. At this early stage, it is clear that the UNDS reforms are bringing us closer to our common objective, and some results are already visible. Looking ahead to the next QCPR, I invite Member States to provide guidance to the UNDS not only on how it should work, but also on the kind of integrated policy and programmatic support they expect it to provide to accelerate SDG implementation.
- 203. The analysis that informed the SDG Summit in 2019 demonstrated that after four years of efforts we are not yet on track to deliver the Goals by 2030. Now, with the COVID-19 pandemic's profound negative effect on sustainable development efforts, our collective challenge during the Decade of Action is even greater.

Figure XIV Effects of COVID-19 on SDGs



204. The response of governments and their partners, including the UNDS, must be commensurate with this challenge.

- 205.It must be geared to both protecting recent development gains and, crucially, addressing the massive SDG implementation gaps that the current crisis has brought to the fore chronic underinvestment in essential services such as universal health coverage, water and sanitation, quality education and internet connectivity; a global economic system that leaves billions of people, including the working poor, on the edge of financial ruin and without access to social protection; the continued destruction of biodiversity and the profound inadequacy of the global response to the climate emergency; deeply rooted power dynamics that entrenches gender inequality in almost every realm; challenges to protect human rights and to resolve devastating conflicts.
- 206. The increasing risks to achievement of the SDGs as a result of this large-scale human crisis occasioned by COVID-19 spotlights the vital need and the urgency for governments partners such as the UNDS to continuously evolve to respond to contemporary challenges. From its early days focused on institution building and service delivery, to the global agendas of the 1990s, the Millennium Development Goals, and most recently the 2030 Agenda, the UNDS has continually demonstrated its capacity to reinvent itself to deliver as a multilateral leader and coordinator and facilitator of a rights-based approach to development.
- 207.Maximizing the promise of a repositioned UNDS to accelerate SDG implementation is the next step in the evolution. This objective must be front and centre as we prepare for the QCPR this fall. In this chapter, I outline a number of areas where Member States can guide the development system to deliver on the responsibility with which you have entrusted us.

1. Providing integrated policy advice and programmatic support to accelerate SDG implementation

- 208.At its core, sustainable development is about advancing development that meets the needs of the present without compromising the ability of future generations to meet their own needs. In light of this, the 2030 Agenda seeks to promote development that achieves balance across the economic, social and environmental dimensions. In addition, each of the SDGs are deeply interconnected and interdependent. Achieving the Goals therefore demands integrated policies that effectively manage trade-offs and synergies among important priorities.
- 209.Since 2015, governments have made significant progress incorporating the Goals into national planning processes and strengthening cooperation across sectors. In their voluntary national reviews, however, governments point to persistent challenges in forging integrated policies, including the siloed nature of ministerial responsibility in most countries; coordination costs; absence of horizontal policy, procedural and budgetary mechanisms; and difficulty reaching political consensus on policies of broader scope. National audits in a number of countries have also shown that there has been less emphasis on vertical policy coherence and inclusive dialogue with stakeholders.¹¹
- 210. The UNDS commitment to provide integrated policy advice is elaborated in the System-Wide Strategic Document and can take many forms. That commitment will be delivered through the new generation of UNCTs and revamped programming instruments, especially the Cooperation Framework and tools such as the common approach for Mainstreaming, Acceleration and Policy Support (MAPS). Since 2016, more than 50 MAPS engagements have been deployed to respond to government requests for SDG alignment within their national systems. In 2019, agencies worked together under the leadership of UNDP, UNICEF and ILO to adapt the MAPS approach with updated analytical tools, more focus on vertical policy coherence and inclusive dialogue, and broader UN participation across pillars. To response to country specific challenges, we must also be able to draw on the input of development, humanitarian, human rights and peacebuilding partners.
- 211.In addition, it is important that the UNDS provide both policy and programmatic support in a manner that taked full cognizance of the interconnections between different sectors and the potential knock-on effects of different policy and programmatic interventions. This does not mean that each UN agency works on everything. Rather, it means a strong and deliberate focus, under the leadership of the Resident Coordinator, to ensure that cooperation takes place on issues where there are strong synergies and interlinkages.

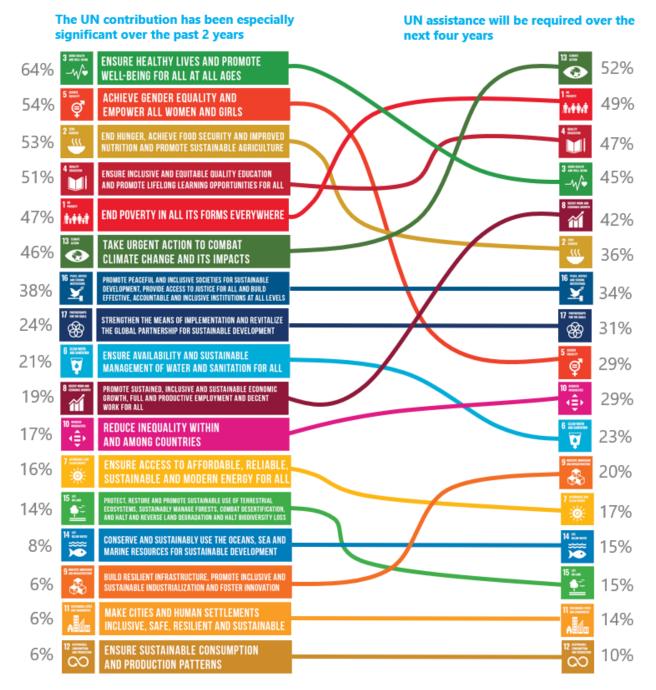
- 212. The entry points for transformation identified in the 2019 Global Sustainable Development Report are illustrative of the kinds of cross-sectoral emphasis that is required from all development actors, including governments.¹³ Combined with four "levers for change" governance, economy and finance deployed with purpose, behaviour and collective action at both individual and societal levels, and science and technology these call for vastly different approaches to organizing how we identify, analyse, govern and finance sustainable development responses.
- 213.Such thinking will be critically needed for governments and UNCTs as they develop plans to recover better from the COVID-19 crisis and accelerate SDG implementation throughout the Decade of Action.

2. Evolving our offer to meet country demand

- 214. The UNDS reforms are geared towards ensuring that host governments can draw on the extensive capacities of the UNDS, both those that are met by entities with a country presence and those beyond the traditional focus of resident country teams. As illustrated in Chapter Two, this shift is already underway and now needs to be accelerated. I am convinced the reforms will support this objective.
- 215. The DESA survey asked programme country governments to reflect on the *top five* SDG areas where the UN contribution has been especially significant in the last two years, and the *top five* SDG areas where UN assistance will be required over the next four years.
- 216.Programme country governments report that the UN contribution at country level over the past two years has been especially significant in health and well-being (SDG3), gender equality (SDG5), food security, nutrition and eradicating hunger (SDG2), education (SDG4), and poverty eradication (SDG1). It also shows that for the next four years, programme countries indicated that support is needed foremost to combat climate change (SDG13); while demand for support on productive employment and sustainable economic growth is expected to double.
- 217. The UNDS is taking steps to enhance its offer and skill set to effectively support governments in each of these areas.
- 218.In relation to economic transformation, the UNDS is working hard to advance a stronger more unified offer. The professional economists being recruited to work in RCOs will help to address this issue as will the UN Economist Network coordinated by the UN Chief Economist. The appointment of two Special Envoys on Financing the 2030 Agenda and Climate Action and Finance will serve to boost our capacity and extend our reach and influence globally. The Cooperation Framework Companion Piece on Economic Transformation provides a conceptual framework that explains "why" and "what" type of economic transformation will enable achievement of the 2030 Agenda and the sustainable development goals. The Inter-agency Taskforce (IATF) on Financing for Development is serving as a mechanism for supporting Integrated National Financing Frameworks (INFF), which aim to improve alignment between planning and financing and help mobilize and align financing from all sources for comprehensive management and more effective targeting of resources. Chaired by UN-DESA, the IATF is currently developing the INFF methodology and guidance material for publication in 2020. To date, close to 20 countries have already agreed to pioneer the INFF approach, working closely with UNCTs, the Bretton-Woods Institutions and key bilateral partners, under the coordination of the RC and technical support from UNDP. Their experience in informing the guidance materials, ensuring that country-level lessons are integrated in the global methodology, and supporting pioneer countries is essential. In recent months, we have also seen the critical importance of effectivel collaboration between the UN and international parnters on key macro-economic issues, including on debt, fiscal space etc.

¹³ United Nations (2019) Global Sustainable Development Report, <u>https://sustainabledevelopment.un.org/content/documents/24797GSDR_report_2019.pdf</u>

Figure XIV UN contribution/assistance related to the SDGs



219.On climate change, the UNCTs – with leadership from UNDP – are currently placing a major focus on supporting enhanceed Nationally Determined Contributions, strategic partnerships with businesses, the shift in supply chains toward low emission trajectories and development of capacities to raise catalytic financing. In addition, biodiversity loss and the nature economy are deeply connected to climate change and as the COVID-19 crisis has shown, these issues need to be elevated at country level and addressed with greater urgency.

- 220. Guidance from member states in the 2020 QCPR in relation to these and other areas where the UNDS must continue to sharpen its offer including those featuring at the lower end of the priority list such as sustainable cities and sustainable consumption and production would be helpful.
 - 3. Strengthening our support for poverty eradication and leaving no one behind
- 221. The eradication of poverty in all its forms and dimensions is central to achieving the 2030 Agenda. With some 1.3 billion people multidimensionally poor in 2019 and the COVID-19 pandemic threatening the incomes and welfare of hundreds of millions more, we must step up our efforts to rid the world of poverty. The repositioning exercise is empowering the UNDS to put the eradication of poverty and sustainable an inclusive economies back at the very heart of our collective offer.
- 222.Almost all programme country governments report that the UN has assisted their country to identify (95%) and reach (93%) the furthest behind. At individual entity level, all UNDS entities that responded to the HQ survey, except UNODC, WIPO and UNWTO, confirmed that their strategic plans defined concrete approaches to reaching the furthest behind.
- 223.A major effort has been invested by the UNSDG to ensure that the guidance for the new Cooperation Framework addresses structural, institutional and other barriers that perpetuate inequalities and disparities. The new Cooperation Framework's companion pieces emphasize the need for countries to "reframe economic policies and practices for inclusive, diversified and job-intensive economic transformation that leaves no one behind, protects the planet and strengthens the ecological foundations of economies."
- 224.Both the CCA and the Leave No One Behind (LNOB) Operational Guide provide a conceptual framework and detailed guidance to operationalise the commitment to leave no one behind. The CCA assesses five factors of LNOB: discrimination; geography; vulnerability to shocks; governance; and, socio-economic status.

Figure XV Factors of LNOB: Assessing the evidence of who is left behind and to what degree



Source: LNOB Operational Guide, interim draft March 2019.

225.Based on this analysis, the Cooperation Framework is expected to capture how the UNDS will help to, notably, strengthen the resilience of people through social protection and redistributive policies that reduce vulnerability and preserve gains against poverty and inequality. It will also help to strengthen economic

resilience through appropriate macroeconomic and structural policies, an area where cooperation with IFIs is again essential. COVID-19 is drawing renewed attention to the importance of strengthening social protection while addressing the looming recession.

- 226.In addition to these efforts, and in keeping with my 2020 Call to Action on Human Rights, new UN systemwide strategies on Youth and Disability Inclusion are being rolled out at both entity and country level. Over the course of the next QCPR cycle, Member States should expect to see a measurable improvement in our engagement with, and support for, these critical constituencies as part of our broader commitment to leave no one behind.
- 227.Lastly, the COVID-19 crisis is illuminating very clearly the importance of assessing unforeseen and transboundary risk and building resilient public service delivery and access. Access to universal health care, to clean water and improved sanitation, to social protection, to quality education and to consistent electricity remains at alarmingly low levels in many programme countries.

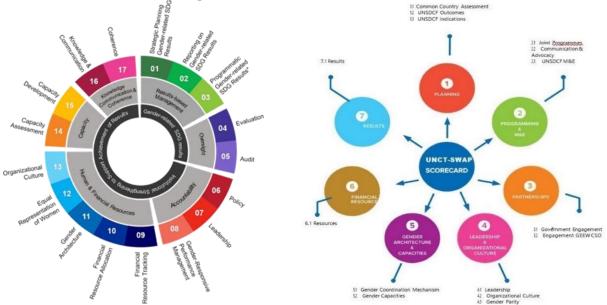
228. During the next QCPR cycle, the UNDS must redouble efforts to support governments to deliver access to quality public services and accelerate progress on poverty eradication and leaving no one behind.

4. Rallying the system for achieving gender equality and empowering all women and girls

- 229. The 25th anniversary of the Beijing Platform for Action is a timely reminder of the distance we still have to travel to achieve gender equality and empower all women and girls. Despite advance, the state of women's rights remains dire. Inequality and discrimination are the norm, everywhere. Progress has slowed to a standstill and in some cases, been reversed. The UNDS has put in place many tools to strengthen its offer in this area, but we can and must go further.
- 230. The UNDS has made significant strides to implement the 2016 QCPR mandate to promote gender equality and women's empowerment (GEWE) as evidenced by an increasing number of UNDAFs/Cooperation Frameworks that feature specific outcomes on gender equality (72%). Gender equality is also the most common focus area of joint programmes. These positive results are driven in part by increased implementation of the System-wide Action Plan on Gender Equality and the Empowerment of Women and its country-level equivalent, the UNCT-SWAP¹⁴ (former Gender Scorecard).

¹⁴ <u>https://unsdg.un.org/resources/unct-swap-gender-equality-scorecard</u>

Figure XVI UN-SWAP 2.0 and UNCT-SWAP performance indicators¹⁵



Source: UN Women, 2018.

- 231.At the entity level, there has been an increase in the number of UNDS entities reporting from 35 in 2012 to 39 in 2019. These reports indicate that system-wide GEWE efforts seem to be predominantly clustered in socioeconomic areas, with areas related to energy and infrastructure receiving less attention. In terms of internal arrangements, the UNDS performed best in the areas of audit and gender responsive performance management in 2019, but performed weakest in the areas of resource allocation and equal representation of women.
- 232.At country-level, an updated version of the Gender Scorecard, renamed the UNCT-SWAP, was rolled out in 2018. The number of UNCTs conducting periodic, comprehensive reports on the UNCT-SWAP more than doubled from 23 UNCTs in 2012-2015 to 48 in 2016-2019. Of these 48 reports, 16 were submitted for the first time in 2019.¹⁶ As per the new Cooperation Framework guidance, all UNCTs are now required to implement it.
- 233.In terms of financing gender equality, a 2017 external review estimated that UNDS GEWE-related expenditures amounted to a mere 2.03% of all UNDS expenditures, and only 2.6% of UN personnel work on the issue.¹⁷ In response, I established the High-Level Task Force on Financing for Gender Equality to review and track UN budgets and expenditures across the system. The task force's recommendations will be implemented in 2020.
- 234.In terms of achieving Gender Parity, the System-wide Strategy that I launched in 2017 is showing solid progress. As of 1 January 2020, for the first time in UN history we have achieved gender parity across our senior-most ranks of fulltime under and assistant-secretaries-general two years ahead of schedule. We are

¹⁵ <u>https://www.unwomen.org/en/how-we-work/un-system-coordination/promoting-un-accountability</u>

¹⁶ Periodic Comprehensive UNCT-SWAP assessments take place at the planning stage of UNSDCFs and assess performance across all 15 UNCT-SWAP indicators, developing recommendations requiring for UNCT follow-up, whereas Annual Progress Reports provide updates on a select number of indicators and report on actions undertaken to improve performance.

¹⁷ Dalberg, "Consultant's Report: System-Wide Outline of the Functions and Capacities of the Un Development System," (June 2017). The estimates are based on development funding committed to gender equality and only where entity data are available.

also sustaining parity across our Resident Coordinators, while also reaching a record number of women heads and deputy heads of peace operations. The overall representation of women in the professional and higher categories in the UN system has reached 44.2%. More is needed to transform organizational culture to attract and retain more women. I am equally committed to making 2020 a year of meaningful progress for greater and more equitable geographic diversity among UN staff. Earlier this year the Secretariat launched a Geographical Diversity Strategy¹⁸, one of the cornerstones of a diverse workforce.

235.As we look ahead to the next QCPR cycle, we must be clear that only by transforming the balance of power and realising the rights of women and girls can we achieve the SDGs. It will be critical, therefore, that UNDS entities focus more attention on integrating gender considerations into technical and non-technical areas of work where gaps and challenges remain. I will also request all UNDS entities to 'meet' or 'exceed' UN-SWAP 2.0 requirements by 2023; all UNCTs to undertake the UNCT-SWAP assessment on an annual basis; and the entire UN system to fully implement the Enabling Environment Guidelines for the UN System.

5. Strengthening national and local capacities as an integral part of our support

- 236. The 2016 QCPR calls on UNDS entities to strengthen their support to national institutions in planning, management and evaluation capacities, while the COVID-19 crisis is illustrating the central importance of effective leadership, governance and institutions.
- 237. The DESA survey indicates that national institutions are typically involved in programme design and implementation, but less so in programme evaluation. The UNDS has, however, made great strides to strengthen the statistical capacities of programme countries, with 70% of programme country governments reporting that, compared to four years ago, UN entities have worked more closely together to support capacity building on disaggregated data collection and analysis. At headquarters level, robust mechanisms are in place for the UN system to work together on data and statistics.

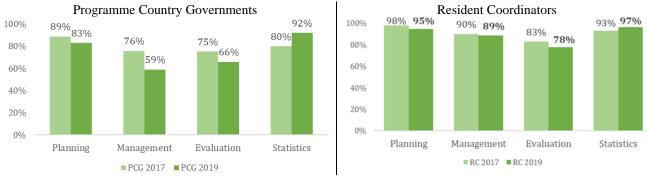


Figure XVII UN contribution to the strengthening of national capacities

Source: DESA 2017 and 2019 Survey of RCs and Programme Country Governments. *Note:* Affirmtive responses only. This includes 'strongly agree' and 'agree' combined.

- 238. Member States also requested the UN where possible to maximize the use of local systems and processes in the work of UNCTs for common procurement. However, nearly 60% of UNCTs report that the Government does not currently have the capacity to assume more responsibility for procurement in UN-Funded projects. Many OMTs noted the UN procures on behalf of the Government due to limited capacity, authority or challenging processes.
- 239.Overall, to be sustainable, capacity development must be demand-driven and focussed on actual change rather than on activities to strengthen capacities. This shift away from a supply-driven focus on inputs is

¹⁸ https://hr.un.org/sites/hr.un.org/files/OHR%20Geographical%20Diversity%20Strategy_EN_0.pdf

embedded in the new Cooperation Framework guidance. This guidance features capacity development as one of three mutually reinforcing modes of implementation, together with results-focused programming and coherent policy support.

- 240.Strengthening under-utilized national government capacities and systems, such as those for finance and procurement, means the host government and relevant UNDS entities must identify them as priorities for action in the Cooperation Framework, with corresponding sustained investment of attention and resources.
- 241.It is also critical for the UNDS to support enhanced city and local government capacities and strengthened alignment between national and local levels in policy design and implementation. Consultation with, and provision of, support to local governments varies widely by country and needs to become a consistent business practice for all UN Country Teams.
- 242. In addition, we must look more closely at using the increased analytical and partnership capacities in RCOs and the new generation of Country teams to strengthen the capacities of national authorities on critical issues such integrated policy analysis and design; domestic resource mobilization and securing investment from multiple sources national and international.
- 243. Over the course of the next QCPR, we will need to ensure that efforts to strengthen the capacities of national and local government partners address those areas most critical to SDG acceleration and are clearly tracked in a consistent way that focusses on outcomes and results.

6. Working across pillars to achieve the 2030 Agenda in crises or emergency settings

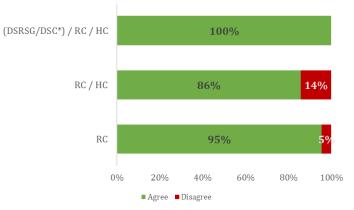
- 244.We have taken taken several steps within this QCPR cycle to strengthen coordination across pillars and ensure UNCTs can draw on assets from all UN pillars to service the 2030 Agenda. The first critical step in this direction was the strengthening of the UNDS itself and the repositioning of sustainable development at the heart of the Organization. After all, implementing the SDGs universally is the most effective strategy to mitigate risks, prevent crises and build resilience. At the same time, preventing crisis and accelerating transitions back into sustainable development will be essential if we are to leave no one behind on our road to 2030. Only in the last 4 years, 55 per cent of governments reported that their countries have faced a humanitarian emergency, and 52 per cent have engaged in peacebuilding activities.
- 245. This is why I launched several workstreams to strengthen coordination across pillars and ensure integrated responses in countries facing or emerging from crisis or responding to humanitarian emergencies. The anchoring of the RC system in the Secretariat has greatly facilitated collaboration between humanitarian and development activities, and helped strengthen the linkages to peacebuilding. The fact that the development coordination pillar is now hosted by the Secretariat where humanitarian coordination and peacebuilding support also reside has helped remove operational hurdles relating to administrative and operational systems. There is for example increased collaboration in the development of guidance and policy support tools for double and triple-hatted RCs and DCO collaborates very closely with the peace pillar and OCHA in planning process for countries where sustainable development activities coexist with humanitarian and peacebuilding. As the UN presence in Haiti transitioned to a new era in 2019, a number of joint missions were deployed, with visible improvements in collaboration and the development of joint strategic objectives to help the country consolidate its trajectory towards stability and sustainable development.
- 246. The creation of the Joint Steering Committee to advance Humanitarian and Development Collaboration has helped bring together key humanitarian, development and peacebuilding actors, including the World Bank, to address systemic and country-specific bottlenecks. Focusing on specific countries, the Joint Steering Committee has also helped UNCTs overcome challenges in working across pillars and mobilising the necessary resources to sustainably reduce needs, vulnerabilities and risks in specific contexts. Co-chaired by UNDP and OCHA, the Joint Steering Committee is supported by a Secretariat, including the Peacebuilding Support Office and anchored in DCO. Since its establishment in 2017, the Committee has focussed on supporting UN country leadership in in eight focus countries (Burkina Faso, Chad, Cameroon, Niger, Nigeria, Ethiopia, Somalia, and Sudan) to ensure that UNCTs engage in joint analysis and that joined up planning and programming contribute to strengthen the UN response. Looking foward, the Joint Steering Committee will

continue to support national leadership to reduce and address vulnerabilities, end needs and prevent their recurrence. The Joint Steering Committee will also leverage humanitarian, development and peacebuilding partners to support RCs and UNCTs in mobilizing programmatic and financing support to countries in a timely, complementary and mutually reinforcing manner.

- 247. In addition, UNDP and DPPA have expanded the number of peace and development advisors (PDAs) from 49 in 2018 to 54 in 2019. WFP is setting up a new Peace and Conflict Sensitivity Network, working with PDAs to ensure maximum synergy. Another example of action in this area is the Recovery and Peace Building Assessment partnership framework supported by the European Union, the United Nations and the World Bank. The framework aims to ensure that interventions for recovery are integrated and aligned by helping countries assess, plan and prioritize requirements over time under a joint process.
- 248. Current efforts to boost cooperation include establishing the Humanitarian-Development-Peacebuilding and Partnership Facility under the Peacebuilding Fund to advance the strategic priorities of the UN-World Bank Partnership Framework in Crisis-Affected Situations. This includes \$400,000 allocated to country and policy priorities to consolidate UN capacities in crises, which could be an important measure to strengthen RC-World Bank collaboration. The World Bank's new fragility, conflict and violence strategy, launched in March 2020, will also be implemented in partnership with the UN and other actors, based on comparative advantages.

Figure XVIII

UNCT members provide the RC with sufficient and timely information to ensure strong coherence of development and humanitarian activities

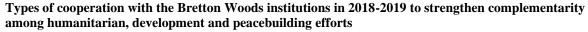


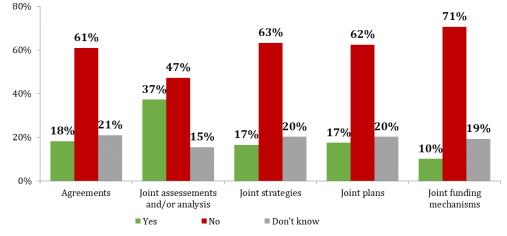
Source: DESA 2019 Survey of RCs, based on 89 responses to the question.

Note: DSRSG = Deputy Special Representative of the Secretary-General (DSRSG), RC = Resident Coordinator, HC = Humanitarian Coordinator, *DSC = Deputy UN Special Coordinator in Lebanon and Palestine

- 249.Data from the DESA survey confirms that we are, overall, making progress. Over 80 per cent of programme country governments reported close collaboration among UN entities engaged in more than one area of development, disaster-risk-reduction, humanitarian action and sustaining peace. Similarly, 95 RCs report close collaboration among UN entities engaged in one or more programmatic areas related to humanitarian action, development or peacebuilding, with only none mentioning no collaboration at all.
- 250.On the other hand, the majority of UN organizations have reported some form of difficulty to advance collaboration between pillars in crisis settings. Those most commonly relate to articulating complementary results, agreeing on accountability frameworks and/or assessing impact, and mobilizing financing for collective action. I count on RCs to help bridge these gaps, including in working with the Joint Steering Committee to address gaps that may exist in skillsets and capacities within UNCTs to advance this critical agenda.

Figure XIX





Source: 2019 DESA Survey of RCs.

- 251. To ensure that these ongoing efforts bear fruit, we must however accelerate progress. There is a need, for instance, for donors to adapt processes and instruments to enable coherent, combined financing, increasingly by funding multi-year humanitarian plans. Four donors now provide more than half of their humanitarian financing on a multi-annual basis, and two have entered into a multi-year agreement to support the UN Central Emergency Response Fund for 2018-2021. I encourage other partner to follow this example.
- 252.In addition, many UN entities highlight that the largely separate development, humanitarian, peace and environment funding streams impede complementary action. The IASC is currently working to advance implementation of financing solutions to drive closer collaboration. Moreover, DCO, with the support of the Multi-Partner Trust Fund Office, will soon issue new guidance for country-level pooled funds for the Cooperation Framework.
- 253. Finally, at the intergovernmental level, closer cooperation between ECOSOC, the General Assembly, the Security Council, the Human Rights Council, and the Peacebuilding Commission, in accordance with their mandates, would help to drive progress. This could take the form of enhanced dialogue to promote coherence and complementarity between UN peace and security and its development, human rights and humanitarian work.
- 254. Overall, I am pleased with the commitment of the UNDS and our partners to strengthen collaboration across the peace, development and humanitarian nexus. Through the next QCPR cycle, it is critical that challenges are tackled head-on and that our commitment increasingly translates into improved results on the ground.

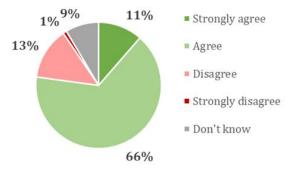
7. Supporting governments in leveraging partnerships, including South-South Cooperation

255. The scale and pace of the progress needed to achieve the SDGs by 2030 will simply not be possible without robust partnerships. The requirements are just too vast for any government to deliver alone. It will require leveraging the expertise, ideas, know-how and resources from all sectors of society – local governments, parliaments, the judicial sector, businesses, civil society, the academia. The ambition of the 2030 Agenda calls for all hands on deck. In responding to this paradigm shift, I launched several workstreams to scale up the UNDS capacities to help governments leverage partnerships for the SDGs. From the very redesign of the RC function, to steps taken to strengthen the ability for the UN to enter partnerships at all levels, we have made good progress during the current QCPR cycle.

256. The 2016 QCPR underscored that one of the core functions of the UN system was to assist Governments in leveraging partnerships. While programme country governments consistently report that the UN lives up to this mandate, additional steps are being taken to further boost our capacities in this area at all levels, while mitigating associated risks.

Figure XX

The UN plays a catalytic role in facilitating partnerships:



Source: DESA 2019 Survey of Programme Country Governments.

257. The majority of governments indicate that the UN has contributed to building the capacity of their country to engage in partnerships to some extent (from large to small), while more than three quarters (77%) agree that the UN plays a catalytic role in facilitating partnerships. These positive results from 2019 are consistent with those from 2017.

258. At present, the majority of RCs (82%) report that the UNCT does not have a common approach to partnerships, of these, 83% report that there are plans to develop one.".

259. To further boost the UNDS capacities in this area, several actions are unfolding. We will work to operationalize new guidance to harmonize principles and

operational standards for due diligence on partnerships – the Common Minimum Standards for Multi-Stakeholder Engagement on the Cooperation Framework and the Common Approach to Prospect Research and Due Diligence for Business Sector. The development of these tools in 2019, under the co-lead of UNICEF and ILO, was a critical milestone in our efforts to achieve a common methodology for due diligence within the UNDS. We will continue to ensure UNCTs lead the way, supported by RCOs with dedicated partnership capacities and with RCs reasserting their roles as conveners for system-wide partnerships. In 2020, the UNSDG will work with UNOP, UNGC and DESA to take this effort to the next level - developing a system-wide approach to partnerships with a threefold aim: ensuring the diversity of actors and partners for the 2030 Agenda and the SDGs; enabling a decentralized approach that respects existing partner relationships and encourages new partnerships; and ensuring that partnerships are consistently aligned with core UN values, objectives, and purpose.

- 260.Building on the outcomes of two internal exercises to clarify roles and responsibilities in the UNDS global partnership ecosystem, the UN Office for Partnerships (UNOP) is now being designated as the global partnership gateway of the UNDS and is stepping up its role in SDG mobilization. The UN Global Compact will continue to serve as the primary vehicle to drive responsible private sector engagement and scaled-up support for the SDGs; and UN-DESA is being tasked to convene intergovernmental, multi-stakeholder discussions on partnerships, enhance the capacity of stakeholders in developing effective partnerships, develop related policy guidance, compile data, and develop analysis and tools that support partnerships for the SDGs.
- 261.In addition, I will continue to dedicate priority attention to strengthening partnerships with the World Bank the International Monetary Fund, regional multilateral development banks, the African Union and the European Union and other regional Member State groupings and inter-governmental organisations.

Supporting South-South cooperation

262.2019 saw the holding of the historic Buenos Aires + 40 Conference on South-South Cooperation (BAPA+40), an opportunity for the world to reaffirm the unique value of cooperation amongst developing countries. In complementing north/south cooperation, South-South is essential to enable the horizontal exchange of know-how, technologies and resources to respond to country challenges in implementing the 2030 Agenda. Echoing calls of the 2016 QCPR, the BAPA+40 conference has therefore encouraged the UNDS to continue incorporating South-South cooperation and triangular cooperation into policies, programmes, strategic frameworks and other planning instruments. We are responding decisively and last year has already seen important progress in this area.

- 263.At corporate level, 12 of 28 UNDS entities confirmed they now have a specific unit dedicated to SSC, and 21 of 27 entities included SSC in their last annual report. SSC is emphasized in over 80 UNDAFs/Cooperation Frameworks¹⁹ and the majority (86%) of programme countries that engaged in SSC report that the UNDS has undertaken in-country SSC activities. Overall, in 2019 two thirds (69%) of programme country governments indicate their country provides development cooperation to other countries through SSC or other peer-to-peer exchange platforms; slightly fewer (63%) said they exchange information and best practices with Southern partners on science, technology, and innovation.
- 264.From 2014 through to 2019, lack of dedicated resources and capacity has been the most common challenge to efforts to step up support for SSC,²⁰ followed by the need for a corporate strategy and policy. RCs also said support for SSC tends to be ad-hoc and UNDS entities have their own policies and strategies. Several mentioned lack of policy and capacity on the government side. One RC, echoing several others, commented that "the UNCT and RCO are not trained nor are they familiar with SSC tools" while another said because SSC is part of the CCA it has led to a more coherent approach. Governments made very similar comments while noting lack of monitoring and evaluation on SSC.
- 265. The UN is taking a number of steps to strengthen its work in the area of SSC. In 2019, UNOSSC launched a new global knowledge-sharing platform and "one-stop shop" called South-South Galaxy that will serve as a centralized node for the dissemination of knowledge, information and stocktaking of UNDS SSC efforts. We are also currently working to increase the scale and scope of funding for South-South cooperation, This includes the United Nations Fund for South-South Cooperation (UNFSSC), the India-UN Development Partnership Fund, the India, Brazil and South Africa Facility for Poverty and Hunger Alleviation (IBSA Fund), and the Perez-Guerrero Fund. These funds have contributions totalling \$49.8 million, \$25.2 million, \$36.8 million and \$15 million, respectively. In addition, guided by an inter-agency mechanism, a system-wide strategy on South-South and triangular cooperation has been developed and will be presented to the High-level Committee on South-South Cooperation in May 2020. The strategy is expected to galvanize a coordinated, coherent approach for a system-wide SSC policy and programme. A dedicated action plan will bring its commitments to life in the activities of the UNDS at all levels.
- 266. Moving forward, it will be essential that the UNDS intensifies its work on partnerships with all actors, including through south-south cooperation. We have seen a new spirit of collaboration, community solidarity and ingenuity emerge to respond to the COVID-19 crisis. To bring SDG implementation to scale during the Decade of Action, we must nurture and build on this experience. Also, we must increasingly focus on demonstrating clearly the tangible results that partnerships are helping us to achieve at the country level.

8. Strengthening the link between SDG follow-up and SDG implementation

- 267. The 2030 Agenda underscores the critical importance of follow-up and review of implementation, both as a means of strengthening accountability and maximizing progress. A key tool in that regard is the Voluntary National Review conducted nationally and presented at the ECOSOC High-Level Political Forum.
- 268. Voluntary National Reviews (VNRs) have thus far provided Governments and their partners at country level a unique opportunity to take stock of progress towards the SDGs, assess their policy lessons and challenges and seek solutions and support from the global community. The fact that 142 countries have presented VNRs at the High Level Political Forum since 2015 102 of whom are programme countries is a clear illustration of the global commitment to the Agenda. In that same vein, 25 programme countries will present a VNR for the very first time in 2020 and 2021. As illustrated in figure XXII, both programme country governments and RCs report that conducting a VNR has helped to strengthen country implementation efforts towards the 2030 Agenda. Almost all programme country governments that presented a VNR in 2018 or 2019 received

¹⁹ Data sourced from the DCO Information Management System

²⁰ Multiple challenges could be selected, so the maximum possible number of responses for each challenge was the total number of RCs who answered this question, which in 2019 was 81.

UN assistance in the preparation of the review. UN support to VNR preparations and follow-up actions is provided across a range of areas.

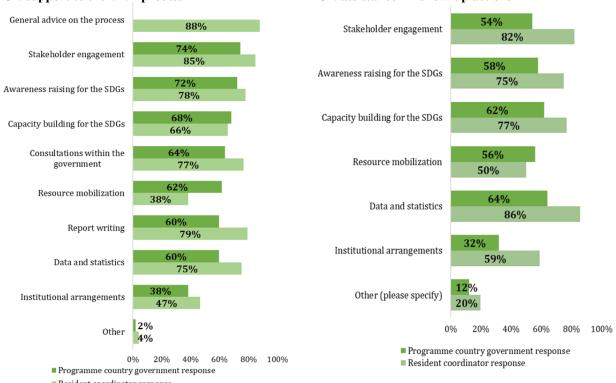


Figure XXI UN support to the VNR process

UN assistance in follow-up actions

Resident coordinator response

Source: DESA 2019 Surveys of RCs and Programme Country Governments.

- 269. This data demonstrates that there is certainly scope to improve the UNDS support to governments conducting VNRs, both during and post review. In line with Cooperation Framework guidance, VNR analysis and follow-up actions should feed back into the CCA and the Cooperation Framework, as well as the annual, mid-term and end-of-cycle UNDAF/Cooperation Framework reviews. UNCTs can also play a more proactive role in supporting governments to use the VNR process to identify measures that can be taken to accelerate implementation at scale in the context of the Decade of Action. The UNCT role in facilitating stakeholder engagement should continue to evolve to bring in the full breadth of stakeholders that have a role to play in delivering the SDGs.
- 270. Moving into the next QCPR cycle, UNCTs should work to strengthen their support to countries conducting these reviews and ensure the reviews' key findings inform the CCA and the Cooperation Framework.

VIII. Conclusion: Looking ahead to the next QCPR cycle

- 271.We are at a critical point in the history of the UN and humanity at large. Precisely at a time when world leaders committed to accelerate action to achieve the transformative promises of the 2030 Agenda, COVID-19 requires that we raise the bar even higher. I am convinced that the reforms Member States mandated in 2018 have repositioned the UN development system to help the world stay on track. The UNDS has been deeply transformed within the period of a single QCPR.
- 272. Nevertheless, while we have set the course and are moving well along this new path, changing the direction of a large and very complex organisation takes time. Over the course of the next QCPR cycle, we should reach our destination: scaled up results on the ground to help countries recover better from Covid-19 and accelerate action to achieve the SDGs. The next QCPR must reflect that shift from the architecture and processes of reform to ambitious strategic and policy guidance on how Member States wish to leverage a stronger UNDS in their transformative journey. We need another historic QCPR that provides clear strategic direction and accountability to guide the system in the next 4 years.
- 273.My commitment to change remains strong as always; to deliver better results on the ground where it matters the most in people's lives. Some of the key next steps in the repositioning includefully realizing the changes in the RC system and Cooperation Framework on the ground, implementing the MCO reform and the regional review, and continuing integration to embrace a true whole-of-system response in support of the Decade of Action.
- 274.I will continue to inform and engage with Member States in our transformative path. And I will continue to periodically report on the progress we make, to help inform transparent oversight by Member States. To that end, I will fully overhaul the QCPR monitoring and reporting framework to ensure alignment with the next QCPR cycle and to visibly integrate the Funding Compact commitments.
- 275.I ask Member States to continue to support the ongoing transformative process. I also count on Member States to endorse the direction of the regional review and of our efforts to strengthen support through multi-country offices. Time has come to deliver on the unfinished business of the QCPR and show to the world, once again, that the United Nations development system remains determined to deeply transform its ability to support the 2030 Agenda.
- 276. We must keep our foot on the pedal and our eyes on the future we want for the world by 2030. Let us deliver on all mandates, from resolutions to results, to leave no one behind.