

**Informal Summary**  
**Operational Activities Segment of ECOSOC Substantive Session**  
**General Debate**  
**New York, 11 July 2008**

On 11 July 2008, the Operational Activities Segment continued with a General Debate, chaired by H. E. Ambassador Andrei Dapkiunas, Vice-President of ECOSOC. Member States as well as UN organizations were represented at the session. 22 delegations including Antigua and Barbuda (on behalf of G77 and China), Australia (on behalf of CANZ), France (on behalf of the European Union), the United Kingdom (on behalf of Malawi, Mozambique, the Netherlands, Norway and Tanzania), Algeria, Belarus, Brazil, China, Colombia, Congo, Cuba, Haiti, Indonesia, Japan, Kazakhstan, Malaysia, Moldova, Philippines, Republic of Korea, Russian Federation, Switzerland, the United States made interventions.

A message from the debate was that ECOSOC is ideally positioned to function as a bridge between normative and operational activities of the UN system. The Council's monitoring role should be enhanced through various mechanisms, including regular dialogue with Executive Heads of Funds and Programmes, so that the impact of its guidance can take root on the ground. Member States encouraged a revitalized ECOSOC to address a broader range of development issues. Delegations also offered comments and suggestions on the following themes.

**1. General comments on General Assembly (GA) resolution 62/208 on the TCPR**

Member States underscored the importance of the 2007 TCPR resolution and the need for its comprehensive, effective and full implementation. More specifically, the adoption of the resolution was seen as a testimony of the General Assembly's commitment to strengthening the capacity of the UN development system to working more coherently and efficiently to respond to the needs of its Member States. The resolution is a manifestation of the vision of a stronger role for the UN in advancing the development agenda and fully realizing all Internationally Agreed Development Goals, including the MDGs. Thus its implementation is crucial and must honor the vision articulated in the resolution.

Delegations recognized that the 2007 TCPR resolution broke new grounds in a number of areas and contains a number of new policy orientations for the UN system. These include, among other, 1) it marks a shift of paradigm whereby the UN operational system is expected to support partner governments and their institutions in their own efforts to build their capacities to implement their own development agenda; 2) it redefines the UN system's accountability vis-à-vis both its governance mechanisms and the recipient countries; 3) it stresses more than ever the fundamental importance of core resources; 4) it recognizes the central importance of achieving programmatic coherence at country level; 5) it defines the UN operational system's role in the context of the current and new aid modalities; 6) it unambiguously strengthens the UN operational system's contribution to gender equality and women's empowerment; and 7) it advances the agenda for transaction costs reduction and delivery efficiency.

To ensure full implementation of the resolution, all funds, programmes, and specialized agencies of the UN development system should have a clear division of labour, work out a specific programme of work, and further refine the responsibilities of all parties so that Member States can learn about the progress in implementing the resolution, and provide policy guidance in a timely manner. Furthermore, the UN system must implement the 2007 TCPR strictly within the limits of the intergovernmental mandates.

## **2. General comments on the Secretary-General's reports**

Member States welcomed the three reports of the Secretary-General, and commended their thoroughness and comprehensive nature. As the fruit of extensive consultations with UN system development agencies and inter-agency mechanisms, the management process report (E/2008/49) constituted a solid basis to start from and provided a roadmap for the UN system to monitor the implementation of the resolution. The report on the functioning of the resident coordinator system (E/2008/60) provided a clear presentation of the resident coordinator system, its organization, operations and recent developments. The statistical analysis report presented specific and valuable information on the challenges that remain and the work that needs to be done. EU expressed appreciation for the work carried out by DESA to improve the compilation of statistics and reliability of financial data, while taking note of the detailed figures on contributions to specialized agencies that were for the first time included in the report.

## **3. Management plan for the implementation of the TCPR resolution**

Member States encouraged ECOSOC to set up clear benchmarks and targets in order to further support the implementation of the TCPR resolution on a system-wide basis.

A number of suggestions with specific regard to further refinement of the management process were raised during the discussion. The following comments were offered: 1) the role of the UN is to assist governments to create an enabling environment for cooperation among stakeholders rather than create the environment directly by itself (Direction I-2); 2) measures as reaffirmed in the GA resolution 62/208 to support the Special Unit for South-South cooperation should be identified (Direction III.B-2); and the UN development system should open more funding channels for South-South cooperation, explore new lines of thinking and methods, and provide greater backstopping for deepening South-South cooperation among developing countries; 3) in terms of transition from relief to development, more emphasis should be placed on the importance of enhancing coordination with governments, while the projected actions should refer to the need for coordination approaches to take into account the complexity of challenges that countries face and the specificities of the challenges; 4) more clarity as well as actions, benchmarks and targets should be provided in relation to the independent evaluation of the "Delivering as One" pilots; 5) more ambitious and concrete actions in supporting middle-income countries should be included; and 6) the implementation of 62/208 should involve a broader and more expeditious realization of the global partnership for development, as set out in the outcomes of major UN summits and conferences in the economic, social and related fields, such as the MDGs.

The Secretariat was invited to provide a concise assessment on progress made on the implementation of the funding section as requested in paragraph 28 of the resolution, while stressing that the UN's role in ensuring a growing trend in funding should not be limited to advocacy and dialogue with donors as reflected in the management plan regarding the follow up to paragraph 23.

It was estimated that the management plan, as a tool facilitating the implementation of the TCPR should define the expected results in a way that makes monitoring possible. Further efforts were needed to identify expected results and to fine-tune the targets, benchmarks, and timeframes as well as the methodology in measuring progress. In this connection, a more quantitative analysis of progress and impact should be provided in the management report to the 2009 ECOSOC session. With regard to evaluation in general, developing countries should actively participate in the evaluation process. The achievement of the UN system should be evaluated on the basis of its

impact in countries. Meanwhile, the UN must be cautious about its own normative work such as evaluation, which may create new conditionalities by putting the South only under monitoring. The timeframe of UN operational activities, including evaluation must be consistent with that of MDGs.

With regard to programming, delegations called for an enhanced role of programme countries in coordinating the formulation of UNDAF. In particular, clear parameters on coordination with government should be included in the management plan. One speaker suggested an assessment of risks of UNDAF, which in many cases has not succeeded in integrating various programme components. The preparation of alternative programming options in such circumstance is thus warranted.

In the course of discussion, delegations repeatedly called on the UN system to systematize and intensify its efforts in capacity building. To this end, the UN was asked to avail its expertise and capacities to national partners, while placing greater focus on national execution and the use of expertise from recipient countries. It was emphasized that coordination among UN organizations is important, but it should in no way be achieved through a “one-size-fits-all” approach and at the cost of UN’s flexibility in responding various national needs.

#### **4. Resident Coordinator (RC) system**

Several delegations underscored the importance of the RC system for coherence and programme delivery of the UN, while encouraging the RCs to assume more coordinating responsibilities in operational activities of the UN at country level. Despite the progress, Member States recognized that disagreements still remain in areas of clear delineation between programmatic and coordination functions, evaluation mechanism of the RC system and the desirable capacity of the RC. Relevant bodies such as GA, ECOSOC, CEB and UNDG were invited to take immediate and concrete actions with clear timelines in these fields.

Delegates urged UNDP, together with other UN headquarters, including the Specialized Agencies to 1) promote incentive mechanisms that encourage the RCs and country directors to focus on the goals defined within the UNDAF; 2) improve the diversification of RC recruitment and emphasize training efforts as well as raise awareness of the activities of non-resident agencies; 3) establish broad codes of conduct and mechanisms for settling disputes; 4) strengthen results-based management; and 5) enhance harmonization of administrative and business practices to reduce transaction costs.

Respecting national ownership and leadership was regarded as an important component of the code of conduct for the RCs. It was suggested that the role of programme countries in evaluating the RC should be given full attention. Furthermore, the resident coordinator should not be afforded a political role, such as evaluating country’s human rights. In establishing quantitative indicators about the performance of the RCs, the characteristics of countries should be always taken into account. Furthermore, the workplan for the RC system should include measures with regard to strengthening recipient countries’ ability in coordination.

A number of delegations reiterated that any effort to improve the RC system must be in line with the principle that the RC system is owned by the UN development system as a whole. To this end, coherence, participatory measures and accountability are the most important dimensions and should be assessed regularly through the annual report on the RC system. In light of coherence, coordination at the headquarters is urgently needed. But, greater coordination should not sacrifice the unique features of each organization. With regard to accountability, it was suggested that a

separate fund be established to finance the salaries of the RCs in order to ensure their impartiality. Meanwhile, further decentralization that enables quick decision-making in response to country needs was considered to be necessary. It was also proposed that the RCs should report to the governing bodies of UN agencies. These reports should include the host country's review of the work done by the UN Country Teams and an evaluation of programme performance of each UN agencies based on the TCPR resolution. In terms of its key functions, the RC system should be tasked to monitor the local implementation of mandates of the GA and ECOSOC, promote simplification and harmonization as well as explore local in-kind contributions.

During the debate, several specific suggestions on the report were addressed to the Council and the Secretariat. It was suggested that future reports should 1) include more information on the analytical component of the report; 2) reflect issues such as the establishment of a firewall and the approach in evaluating the "Delivering as One" pilots; 3) emphasize the need for enhanced participation of specialized agencies in discussions with local governments and the RCs; and 4) further document costs and savings of the RC system, including cost-sharing, and provide an analysis of this issue in the future.

## **5. Funding of operational activities**

There was wide recognition that adequate and predictable financing for the UN is the cornerstone for successful operational activities of the UN development system. The growing imbalance between core and non-core funding impairs the effectiveness and efficiency of operational activities and in the meantime leads to fragmentation. These negative effects have been witnessed at country level. It is therefore essential to restore the balance between core and non-core funding, while ensuring an expanding and adequate base of resources for development.

To this end, **EU** called upon its Member States to mobilize sufficient, stable and predictable resources for the UN in order to help the system tackle emerging challenges. Donors were urged to honor the Monterrey Consensus and increase their contribution to the core resources of the UN development system. Meanwhile, UN Funds, Programmes, and Specialized Agencies were encouraged to take concrete actions to reverse the low ratio of core resources and reduce the negative impact of non-core resources. It was also stressed that increased funding for the UN system must go hand in hand with UN reform, improving the RC system, achieving concrete results and strengthening UN's comparative advantage. The Council and the Secretariat were invited to analyze reasons underlying the rapid increase in non-core resources vis-à-vis core resources as well as the stagnation in contributions to the UN as compared to those to other multilateral institutions. The first step in this regard involves a cross-country comparison of programme cost with a view to identifying the overall funding requirement for the achievement of each of the 8 MDGs. Nevertheless, any type of funding must be aligned with programme priorities and any new funding arrangements must be evaluated in terms of their capacity to mobilize additional resources and minimize transaction costs.

Delegations also offered detailed comments on the Secretary-General's report on comprehensive statistical data. They welcomed the measures taken in creating a global data publication system, and further efforts towards the harmonization of data systems with a view of bridging the differences between UN and OECD in defining, categorizing and presenting contributions to UN agencies. The Secretariat was invited to better disaggregate data in order to allow for a more precise monitoring of theme-specific funding flows. UN organizations were encouraged to extend assistance to DESA in this regard.

## **6. System-wide coherence and “Delivering as One”**

Several Member States encouraged the UN system to accelerate improvements towards system-wide coherence. More specifically, drawing on the feedback from the “Delivering as One” initiative, **UK** (on behalf of Malawi, Mozambique, the Netherlands, Norway, and Tanzania), urged UN headquarters to 1) show how savings from efficiency gains lead to increased funding for development purposes in the country where the savings were realized; 2) rapidly resolve the issue of simplification and harmonization, and utilize lessons learned in “Delivering as One” countries in this regard; 3) resolve the “firewall” issue and empower the RC together with UNDP and other UN organization; 4) allow the necessary innovation by decentralizing decision-making powers to the country level, and accept pooled funding and harmonized reporting to headquarters; 5) use national execution to the maximum extent possible; and 6) address the issue of overlapping instructions to their country teams. The Secretariat was invited to include in subsequent reports the obstacles regarding redistribution of savings from efficiency gains into country programmes. In response to paragraph 139 of TCPR, assessment of progress in developing the evaluation capacity of pilot countries should also be put on agenda.

While welcoming efforts in achieving greater coordination and coherence of the UN system, many Member States cautioned that initiatives presented by the High-Level Panel on System-wide coherence, including “Delivering as One” must not be seen as the single model towards system-wide coherence.

With regard to simplification and harmonization, the UN system was urged to promptly unify its fragmented ERP systems, which create large magnitude of resource waste. The efforts towards harmonization and simplification should be driven by the expected results, without any compromise by challenges associated with the reform process.

## **7. New concrete proposals/recommendations**

The Secretary-General to launch an initiative in support of the core funding of the Funds and Programmes at the Doha Follow-up Conference on Financing for Development. Donors participate in this initiative on a voluntary basis. The functioning of this initiative should be based on peer-pressure and public scrutiny, as well as on a firm commitment by the Funds and Programmes to demonstrate more convincingly the development impact of their undertakings.

The Secretariat to submit a summary of the annual reports of the RCs each year to the substantive session of ECOSOC for the Council’s review.