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ECOSOC operational activities segment

Dialogue with Executive Heads of UN Funds and Programmes

Statement by Anne-Birgitte Albrechtsen, UNFPA Deputy Executive Director

Mr President, Members of ECOSOC, Ladies and Gentlemen,

I present this statement today on behalf of Dr. Babatunde Osotimehin, UNFPA Executive Director, who is unable to join us this morning.

We are here today first, to assess whether the UN development system is more relevant, effective and efficient than it was five years ago; and second, to discuss the strategic priorities for the next Quadrennial Comprehensive Policy Review cycle.

On the first point, I believe we can say that the UN system is more coherent and effective than in the past. Participating countries and UN entities tell us that the “Delivering as One” approach has stimulated national ownership and leadership in development, and that UN system support is more coherent and focused. This is certainly true for UNFPA’s operations, and I am sure other UN system experiences are very similar.

At the recent Tirana conference, the “Delivering as One” countries and other countries adopting the approach all confirmed their commitment to it and invited others to join on a voluntary basis. The recent impartial and objective independent evaluation confirmed that the approach has been highly relevant overall, while pointing out some areas where progress is needed.

With this positive evidence, it is time to define our path as we move beyond the pilot phase, and address the remaining challenges. I have been asked to comment in four specific areas.

1. Enhancing the effectiveness of the UN Resident Coordinator system

A smoothly functioning resident coordinator system, with adequate and predictable funding, is critical for UN operations at the country level. While the RC system has been strengthened considerably, I would like to suggest three ways to enhance its effectiveness still further:

A. Strengthening RC selection procedures

First, the system should think more creatively about how to attract and retain talented RC candidates, from within and outside the system. For example, rostered candidates could be encouraged to shadow a successful RC to gain some real-life experience.

Many internal candidates are discouraged by the perception that their careers might suffer, because their organizations do not guarantee returning RCs placement at their attained personal grades. There is also a need for a selection process that allows staff members to move more readily between Humanitarian Coordinator and RC functions. Organizations which want to see their staff advance to take on RC functions, should include RC competencies as part of their management profiles and training. Finally, to maintain candidates' interest, more clarity and transparency is needed in the final selection process, with feedback to all concerned.

B. Further strengthening of the Management and Accountability System

Second, the UNDG management and accountability system, which clearly delineates responsibilities and accountabilities, has improved working relations between the RC and the UN Country Team. The system was adopted by all UN agencies to create a more robust and transparent UN at the country level. We still need to implement it fully and its importance should be emphasized throughout the UN system.

Individual agencies have their own mandates, objectives and governing bodies. However, their acceptance of responsibilities and accountabilities within the UNCT and to the RC is critical to improving overall UNDAF results at the country level. All agencies should empower their representatives to participate effectively within their UNCTs.

Continued evaluation is needed to ensure that vertical accountabilities do not undermine the implementation of the M&A system. UN entities can use existing rules to this end, for instance by providing incentives for involvement in Delivering as One, and by including elements in the mutual performance appraisal between the RC and UNCT members. Other aspects will require higher-level action to review possible conflicts between vertical and horizontal accountability. Something I will personally engage in advancing as part of the UNDP ASG Advisory Group.

C. Continued strengthening of the implementation of the functional firewall

Third, we all agree that the firewall between the functions of the RC and the UNDP Resident Representative has been critical in promoting RC neutrality and in encouraging UN agencies' sense of ownership and support for the RC system. The stronger the firewall is in practice, the more support RC system will attract. However, the RC office as configured at present depends on direct UNDP operational support. This support is essential for a well-functioning system, but RCs have a duty to ensure that their neutrality is not compromised, even within this context. On the other hand, we as individual agencies, should also actively support the system along the lines that are already agreed.

2. Funding the UN development system to promote system-wide coherence at the country level

Funding can be a powerful incentive to system-wide coherence. But multiple funding streams at country level have resulted in fragmented development agendas rather than coherence and coordination, and have not encouraged alignment with national priorities. We need to have an honest discussion on how we can persuade both traditional and emerging donors to fund more “as one”. If funding responded to national development priorities, discouraged fragmentary approaches and focused on delivering the most effective support, we could move beyond the long debate about core and non-core funding.

A progressive funding approach should be driven more and more by the ability to demonstrate concrete results and value for money. The recent DaO evaluation shows promising evidence that the UN system is moving in this direction. If we are to maintain this trend, we will need continued and constructive financial support.

To promote joint funding we will need more coordinated policy dialogue at the planning phase between the UN, governments and all development partners. If there are administrative, legal or political reasons that prevent development partners from pooling their resources, they need at least to ensure that their funding supports unified and coherent approaches. Predictability in funding, for example, offers UN organizations the opportunity to plan more effectively. Conversely, frequent changes in priorities and policies, and sudden fluctuations in the flow of resources, make for less coherent and effective programming.

Coordinating the UN system for joint programming and operations is not cost-free. At the same time, development partners have sent a clear message that these costs must be borne by the system’s entities, as a core function. We must therefore come to a common understanding on funding the costs of coordination that reflects our shared sense of its importance to coherent and effective programming. The recommendations of the study of RC system funding modalities will help to resolve this problem on a lasting basis in the context of the QCPR. UNFPA is encouraged by the work already undertaken and while complex in nature, we will find a solution that is satisfactory to all stakeholders.

3. Simplifying and harmonizing business practices at the headquarters and country level

Harmonized and simplified business practices will improve UN operations in the field. In spite of systematic efforts in this direction, it seems that more commitment at the highest level is needed to make whatever changes are required.

Compliance with the various processes and procedures of the different parts of the UN system makes for redundancy in information gathering and reporting, which both limits field offices’ flexibility and increases the costs of doing business with the UN. If we are to reduce costs, we must do more to harmonize and simplify our practices.

The High Level Committee on Management has already taken important steps towards harmonization and cost-effectiveness in several high-impact areas, such as procurement and common services; meetings and conference services; information and communication technologies; simplification of business processes, and human resources management. These initiatives have promise. For example, joint procurement has potential annual benefits of up to \$62.5 million. The UNDG has also made contributions specific to the country level. There is room for better coordination between the two entities going forward: a joint review of agreed actions and ways to accelerate their implementation has already been recommended.

Successful implementation of harmonized business practices will require some bold actions both at the headquarters and country levels, for example in areas such as:

- (1) Centralizing service provision of UN agencies;
- (2) Maximizing procurement of common products and services from the same suppliers;
- (3) Establishing guidelines for common procurement.

In countries with higher volumes of business transactions, inter-agency business centres providing client-centred common services could produce additional savings.

4. Ensure cost-effective simplification and harmonization of business systems and rules and regulations at headquarters.

Each UN entity has a unique complex and multi-layered governance structure. Agencies also have external and internal oversight mechanisms, each producing its own recommendations. Member states have added other oversight layers, and often have their own reporting, evaluation and review requirements. UN agencies' own efforts to simplify and harmonize their practices therefore call for concurrent efforts from external bodies.

While there are no "quick fixes" for revamping long-standing governance systems, there is certainly scope for immediate improvement. Governance mechanisms should support coherence in programming, for example by reducing duplicative reporting, streamlining both "horizontal" and "vertical" accountability mechanisms, and establishing appropriate incentives for coherence and coordination. This should include harmonizing input from member states' evaluations and other "aid" reviews.

Perhaps there is also scope for shifting the role over of governance and oversight from control to trust and vision setting. If simplification is seen as a liberator of dedicated development workers it may move faster and similarly if harmonization is led with an ambition to help the UN reach the highest standards in public management we may be able to create better momentum and higher level engagement and lift everyone in the process.

Ladies and gentlemen,

Development challenges and contexts are constantly in flux. The conditions for a more coherent, more effective, and more efficient United Nations system at all levels, especially at the country level, need constant review. The QCPR report already identifies the features that define this changing development landscape, including the new centres of economic dynamism; achieving the MDGs and sustainable development; rising inequality within and among states; continuing crisis and transition situations, and the emergence of new institutional actors.

All this means that UN support must be very context-driven and specific to remain relevant and effective. There is need for constant dialogue, led by member states but also within the UN system, on the most appropriate modalities for engaging the UN. Some of these dialogues need to take place within programme countries so that UN response adapts to their changing demands. The questions include:

- The optimal UN presence in a given country;
- The optimal mode of intervention – upstream, downstream or a combination of both;
- The optimal arrangements for funding, noting that for the least developed countries, official development assistance and core funding remain critical;
- The optimal mode for working with all partners, allowing the partner with the comparative advantage to take the lead; and
- Lastly, finding ways to ensure coherence and consistency among all stakeholders, and to apply lessons learned and good practices in development cooperation; especially those of the last phase of reforms around Delivering as One and UN system-wide coherence.

All these point to a very high expectation for the QCPR, and we are ready to engage constructively for a new and development-oriented QCPR cycle.

Thank you