Second session of the ECOSOC Dialogue
on the longer-term positioning
of the United Nations development system

30 January 2015, ECOSOC Chamber

Summary by the Vice President

The second session of the ECOSOC dialogue on the longer term positioning of the United Nations development system took place on 30 January 2015. As requested by Member States, this session was mainly focused on the perspective of programme countries.

The Vice President of ECOSOC, H.E. María Emma Mejía Vélez, in her opening remarks provided the context for the dialogue by highlighting the common messages that came out of the stocktaking event on the post-2015 development agenda held on 19-21 January 2015 and the first session of the dialogue. These messages emphasized that the UN development system should (i) work more coherently and institutionalize an effective follow-up for review of the agenda; (ii) respond to new and emerging challenges, especially with regard to its functions, capacity and organizational arrangements; (iii) leverage both public and private resources; (iv) adopt a governance structure that reflects the current realities, both in terms of quality and representation.

The Chair of the UN Development Group, Ms. Helen Clark, made a special presentation with a focus on a post-2015 UN development system that must be relevant, nimble and able to help countries achieve their sustainable development priorities. To be fit for purpose, the UN must build on its success and comparative advantages, and overcome institutional and operational obstacles. She pointed out that the UN development system is taking a comprehensive look at its objectives, priorities, operations and funding and outlined the critical reform efforts to date. The UNDG has recently developed a common vision for the UN longer-term positioning grounded in the need to build a UN development system that supports countries to meet their international commitments, provides platforms for global discussions, and helps design and implement solutions; operates according to cutting-edge analytics and strategies as well as quality data, knowledge and practices; and employs results-oriented, well-networked, highly professional and collaborative teams. She underscored that delivering mandates through broader partnerships will be critical.

The UNDG Chair stressed that the post-2015 era brings with the SDGs a bold and transformational agenda that transcend the specificity of the MDGs. She stated that the discussion about "fit for purpose" should therefore go beyond what is possible through the current architecture, resources, technologies and human capacities, and look to a bolder UN. She observed that funding practices had considerable impact on the delivery of

mandates. She added that the pooled mechanisms offer an option. However, there is a need to be strategic vis-à-vis the ways that core and non-core funding has evolved over time.

She stated that the UN should build a culture of innovation and collaboration, and stay away from a one-size-fits-all approach.

These presentations were followed by a panel discussion and an interactive debate. The panel members and discussants included:

Panellists
- Mr. Admasu Nebebe Gedamu, Director, UN Agencies and Regional Economic Cooperation Directorate, Ministry of Finance and Economic Development, Ethiopia
- Mr. Mahama Samuel Tara, Chief Director, Ministry of Finance and Economic Planning in the Government, Ghana
- Ms. Mira Karybaeva, Head of the Department of Ethnic, Religious Policies and interaction with Civil Society, Office of the President of Kyrgyzstan
- H.E. Paulina María Franceschi Navarro, Deputy Permanent Representative of Panama to the United Nations

Lead Discussants
- H.E. Ferit Hoxha, Permanent Representative of the Republic of Albania to the United Nations
- H.E. Sofia Mesquita Borges, Permanent Representative of the Democratic Republic of Timor-Leste to the United Nations
- H.E. Nguyen Phuong Nga, Permanent Representative of the Socialist Republic of Viet Nam to the United Nations

The panel members and the lead discussants focused their presentations and comments on the following key questions.

What are the expected priority areas of work in a post-2015 era? What kind of specialization and/or integration of functions would these imply in terms of delivering operational activities by the UN development system?

How can the UN development system build on the successes of Delivering as One and become better fit for the new development cooperation environment?

What kind of functions, presence, profile and organizational arrangements are needed at the country level, in different country settings [LDCs, LICs, MICs and countries in transition from relief to development.]?

What changes are required in the capacities and organizational arrangements of the UN development system to deliver the functions required in a post-2015 development era? How can the quality of governance of the UN development system be improved?

The key messages from the presentations and discussions are as follows:

Priority areas of work

The UN development system has played a crucial role in supporting Member States to realize the MDGs. The post-2015 agenda is broad, universal and unified. In order to deliver on an ambitious agenda, the United Nations development system should maximize its comparative advantages and focus on its core areas of expertise, especially on areas where by its very nature it can bring added value to the overall in-country efforts by all stakeholders.

Poverty eradication remains the top priority for the UN development system. Inequalities must also be addressed, including in emerging and middle-income countries where the fight against poverty has significantly advanced but inequalities and sectorial weaknesses remain.

Capacity development and institution-building need to guide the UN development system's interventions on the ground. Yet, the system must develop differentiated interventions that meet diverse needs of programme countries. There is no one-size-fits-all. While the UN development system can still provide service delivery in LDCs, LICs and fragile countries, its goal in all countries should remain longer-term capacity building, based on agreed UN norms and standards. In MICs in particular, the system should focus on policy advice, capacity development and institution-building including on South-South and Triangular Cooperation, as well as knowledge and technology transfer, and capacity building for data collection and analysis and statistics, especially at the local level. The importance of evidence and data in the design of effective policies and decision-making was strongly underscored.

As the UN development system moves forward, national ownership remains critical. The UN development system must align with and provide support to national priorities, as embodied in national development plans and sustainable development strategies, and agreed through national coordination mechanisms.

Funding

Funding should be adapted to differentiated needs and contexts. Given limited funding, the UN development system needs to focus its interventions on where it has most impact, and avoid the risk of dispersion. In addition, the UN system should be a partner, not a competitor, of all development players on the ground. As such it should use its legitimacy and comprehensive reach to keep competition over resources among partners in check, and ensure aid and effectiveness compliance.

The core versus non-core imbalance was raised, as it remains both a reality and an issue that affects coherence, predictability and results-based management. How organizations are funded impacts how they will be able to deliver. It is vital to ensure adequate funding for critical core activities to ensure that the UN development system is not reduced to contracting out its operations.

Pooled funding was strongly underscored as an essential tool to ensure that the system is able to deliver on its core priorities and is not in competition over limited resources. Efforts should be made to provide sufficient resources that are unearmarked. This would also help in reducing the fragmentation of the UN Development System.

The question of deploying the limited public funds available to unlock investments by the private sector, philanthropies, civil society, and individuals, while at the same time not being a substitute for ODA, was raised as a critical element to help address the funding challenges.

Governance

Governance must be adapted to reflect the current realities and membership of the UN as well as changing needs of this era. This requires rethinking the composition, role and working methods of current governance structures. Lessons can be learned from other sectors and multi-lateral institutions, where governing structures typically meet more regularly and play a more expanded role in steering the organization's priorities and in ensuring mutual accountability. Yet, a word of caution was also added to ensure that governance reforms were grounded in country and regional experiences and reflect funding realities. It was mentioned that any decision should aim to avoid heavy transactions costs and high risks such as dispersion and partial implementation.

Inclusiveness should guide the steps towards a renewed governance system. It was underscored that programme countries should have a better say in setting priorities and guiding implementation. The role played by external actors in realizing today's development agenda was also flagged. It was suggested that their representation in the governance structures would make them more inclusive.

Organizational arrangements

The UN development system must rise to the challenge and adapt to better support countries to meet their commitments. In order to ensure a targeted response to the diverse needs at the global, regional, national and local level, it should adjust its presence and delivery according to differentiated needs of programme countries. It must do so by overcoming fragmentation, competition, high transactional costs through stepped–up efforts on system-wide coherence, collaboration, and coordination – within the UN system, as well as with other development actors.

It was stated that Delivering as One is on the right track but has its limitations in terms of UN coordination on the ground. The UN system needs to build on the successes of

Delivering as One and become better fit for supporting the implementation of the new development agenda. . The Resident Coordinator system has proven highly valuable, but needs to be strengthened. Horizontal harmonization among UN entities has advanced, but requires further improvement. The Standard Operating Procedures (SOPs) are an example at hand: their adoption is an important step forward, but they must now be applied across all entities.

In addition, there is need to strengthen monitoring, evaluation and results-based management, to be able to reflect different contexts, and be better adapted to the new challenges. The 2012 QPCR remains an unfinished business in terms of harmonization of business practices and action must be accelerated. The UN development system needs to move from convergence of operations to their integration in support of a unified and universal post-2015 development agenda. In addition, innovation should be an important element in efforts to adapt the UN development system.

Transition from relief to development

The development-humanitarian-peace and security continuum is critical. However, relief, reconstruction, peacebuilding and development do not happen in a linear way. Bridging the gap among development efforts, humanitarian interventions, peacebuilding and strengthening resilience is key to stable and prosperous societies. In that regard, early investments are crucial. The different operational arms of the UN must work hand-in-hand to support governments from early on in this continuum to coordinate support, build capacities and strong, well-functioning national institutions.

Institution building is the key to guarantee sustainability of efforts and avoid regressing into instability, violence and emergency-mode. The importance of focusing on creating, supporting, and strengthening national institutions was underscored as central to the transition efforts. Strong national institutions are also critical for ensuring that resources are well spent.

Finally, action must include the local level and be targeted towards the most disadvantaged. Women in particular have a critical role to play in relief and peacebuilding efforts, as well as decision-making for strong institutions.

Partnerships

It has been often reiterated that in a post-2015 world, no-one can deliver such an ambitious agenda alone. Partnerships are key to ensure inclusiveness and democratization of the national dialogue. Moreover, they are critical to ensure the necessary means of implementation. The UN development system could assist governments in establishing frameworks to build partnerships that are inclusive, accountable, and that help leverage resources and expertise. This will be essential to ensure that the system harnesses the strengths of external players and aligns their actions with UN goals and mandates.