

ECOSOC Dialogue on the longer-term positioning of the UN development system in the context of the post-2015 development agenda

Retreat 1

29-30 May 2015, Greentree Foundation, Manhasset, New York

Summary by the Vice-President of ECOSOC

The first phase of the ECOSOC Dialogue on the longer-term positioning of the UN development system, in the context of post-2015, concluded with a retreat on 29 and 30 May at Greentree, co-hosted by the Dag Hammarskjöld Foundation.

The purpose of the retreat was to draw to a close the first phase of the ECOSOC Dialogue by pulling the strings of the debate over the course of the workshops on functions, funding, governance, organizational arrangements, capacity, impact and partnership approaches; foster an open and frank discussion level among Member States, including with UN entity heads, and identify strategic priorities for the way forward that could constitute key elements for the second phase of the Dialogue.

The retreat was structured in three plenary roundtable discussions aimed at capturing 1) the most important global changes and their implications for the UN development system; 2) the necessary repositioning of the system to deliver the post-2015 agenda; and 3) the key elements at the core of a strong UNDS to deliver in post-2015. Four working groups were held in parallel to go into the specificities of funding, governance, organizational arrangements and capacity, and impact and partnership approaches for a post-2015 UN development system.

The Vice President of ECOSOC opened the retreat pointing out the major milestones of 2015, i.e. a renewed path on financing for development, the adoption of a new development agenda and the conclusion of a universal, meaningful climate agreement. She noted the critical role of the UN development system to translate the ambitions of such landmark agreements into achievements for the lives of many, particularly the most disadvantaged. In this regard, she noted that business as usual is not an option and that the system needs to undergo a serious process of change to be able to deliver in particular on the universal and differentiated mandate of the post-2015 development agenda. She called for a more coherent, effective, and cost-effective UN development system, with active leadership by Member States to ensure that form follows function. She wished to end the retreat with a set of concrete options to guide the way forward for further analysis and action in the second phase of the Dialogue, after the injection of fresh momentum and potentially of a specific mandate by the September Summit, geared to make the UN fit-for-purpose.

The Deputy Secretary-General delivered a keynote speech. He noted that three milestones of the year 2015 should set a path to shared and growing prosperity and that the UNDS would be critical for success. He underscored that over the course of the years the UNDS had made solid efforts and had proven its ability to adapt, yet today's global challenges demand a UNDS capable of changing faster and more effectively in response to the turbulence and unpredictability of an interconnected world. He made it clear that this means breaking away from a silo approach, and that this meant not simply enhancing coherence and coordination

but fundamentally defining what the UN should do and not do. He stressed the importance of differentiated responses to increasingly diverse capacities and needs of countries, as well as the importance of national ownership and alignment with national strategies and plans. Operationally, he did note this implied that different entities should become more organizationally linked to one another, particularly the humanitarian and development constituencies; that innovation and rapid learning were essential ingredients to speedy, efficient and effective operations; and that funding practices, particularly towards increasing non-core funding, should be addressed to ensure predictable, flexible and sufficient resources to deliver. He stressed that the real strength of the SDGs and of the UNDS should be tested by how well they would bring about results on the ground.

The evening guest speaker, Prof. Robert Chambers, from the Institute of Development Studies at the University of Sussex, challenged participants to adopt a new mindset and behaviour vis-à-vis the rapid changes the world is undergoing. He implied a need for a “DNA change” thinking, implementing and measuring results, based on putting the most marginalized at the center and recognizing that they are not passive agents but most often the repositories of the capacity the system needs for transformative achievements. He noted the importance for the UNDS to be “fit-for-context”, to be a “facilitator”, to “optimize rather than maximize”, and to root development and accountability in “reciprocity” – relationships being more important than currently valued. He stressed the importance of an adequate workforce, which is recruited, trained and incentivized to embrace the SDGs and a participatory approach. He also proposed a “dream tank” to allow the necessary space in the organization for vision, commitment and action, with courage and passion to make the SDGs a reality. He stressed the importance of leadership to leave no-one behind and the need to seize the opportunity at hand for a historic transformation.

The discussion focused on identifying the most important global challenges in today’s world and the implications for the UN development system. Participants agreed that poverty eradication and addressing increasing inequality remain at the heart of the post-2015 agenda, calling for a differentiated response with a more specialized approach by the UN development system given the increasingly diverse capacities, priorities and needs of countries. Other areas, such as climate change, employment and job creation, global health, migration, and the challenges and potential of the youth in particular, require enhanced attention and integrated action. Climate change in particular was viewed as a global risk and driver affecting all pillars of UN efforts, therefore calling for resilience to be integrated into the activities of all UN entities. Humanitarian emergencies, whether caused by man-made or natural disasters, were also identified as critical since they are increasingly resulting in protracted crises that call for a stronger focus on prevention and require a better integrated response by the different arms of the UN system – peace and security, humanitarian, development, and human rights.

Several invoked the legitimacy of the organization as a unique feature that makes the UN the sole convenor, platform and facilitator of all players. In this regard, the coherence and coordination at system-level was called into question, with a strong urge for enhanced coordination system-wide, at global, regional and local levels, as well as among Member States in support of UN-system efforts. The role of the UNDS to bring coherence and coordination among all actors in the development field was also highlighted as a potential necessary feature of the UNDS moving forward.

There was a shared sense that this is a moment of historic change and that the system must transform itself through a fundamental “DNA-level” change, first and foremost clarifying what functions the UNDS most needs to perform, and then profiting from the momentum provided by 2015 to ensure that the system’s governance, funding, organizational arrangements, capacity, impact and partnership approaches are in line to deliver on the functions of the post-2015 era. In this regard, the following key messages emerged.

Functions

The need for a universal, integrated and differentiated approach pointed to importance for the UNDS to ensure horizontal action cutting across issue areas. At the global level, the importance of supporting the normative role of Member States across the new development agenda, including through more sophisticated upstream policy advice across the SDGs, the provision of convening and advocacy capacity among different actors, as well as monitoring and reporting including through enhanced analytical capacity and data circling back to enhanced policy formulation, were mentioned as critical. The importance of leveraging and tapping into the regional capacities to support and strengthen gains at both national and global level, was underscored. At the national level, as mentioned above, the provision of specialized and differentiated as well as flexible and timely support according to country contexts, particularly geared to tackle inequalities, and increasingly so in middle-income countries, was reiterated. The importance of working more effectively in crisis contexts by integrating humanitarian, peace and security, recovery, peacebuilding, resilience and development strategies was also underscored. The importance of harnessing technology and imbuing the work of the UNDS with innovation, while anchoring it into strong national ownership and alignment with national priorities and national development plans was widely agreed.

Funding

Participants strongly reiterated the importance for form to follow functions and to provide the UNDS with the means to implement its mandates. There was a recognition that there is a creative tension between the desire for funding to support and incentivize coherent, integrated approaches across system entities and contexts, as well as to support core functions (particularly normative, monitoring and reporting), and the desire to continue to incentivize donors as well as to respond to their inclinations to prioritize use of their resources on the issues they care most about, and to channel those funds through the entities and partnerships they think can do the best job. The question arose about how to enhance predictability and funding for agreed core functions, while maintaining flexibility and leveraging additional funding sources for a wide range of functions, programmes and initiatives – and respond to those who fear the bilateralization of multilateralism. The idea of universal assessed contributions for core activities did not gain traction, but all agreed that different options for a new funding architecture do exist and should be explored in further details.

Governance

The need to review the current governance architecture to provide strategic guidance, exert oversight while not micromanaging, and ensure accountability for results was deemed both necessary and vital. Issues related to representation, capacity and working methods to ensure fair, coherent and effective governance were put on the table; yet the importance of starting with a clear vision on the purpose of any reform effort was also underscored to counter the

transaction costs of reform. The importance of ensuring system-wide guidance, to ensure, monitor and account for system-wide results across the unifying vision provided by the SDGs was underscored. The idea of a global strategic framework geared to that end gained strength, though the contours of such overarching system-wide framework were not defined, including whether such a framework would be part of a “QCPR+” or another self-standing instrument. The proposal to expand the QCPR to specialized agencies gained traction and seemed to generate large measure of support, despite the challenges posed by existing legislation and governance arrangements. There were repeated calls for an enhanced role for ECOSOC to ensure the strategic, horizontal, system-wide guidance and leadership, but particularly to bridge the gap between the humanitarian and development sectors by ensuring that structural issues are addressed so “the urgent doesn’t crowd out the important”. The heavy lifting required by the development community to chart and support a path to sustainable development, in a world context increasingly affected by protracted crises, fragility and volatility, calls for stronger collaboration with the humanitarian world so that the two institutional pillars can walk hand in hand. In this regard, the role of all stakeholders was noted and the need to reflect their role in the governance arrangements to both harness strengths and incentivize partners remained a point in question.

Organizational arrangements

Participants stressed that the UN development system must ensure the right kind of people, competencies and incentives in the right places, and must therefore undergo a rethinking and possibly a rationalization of its staff and presence, particularly at country level. The concept of “coherent pluralism” challenged all to reflect on organizational arrangements that respond to country needs, optimize the use of limited resources, and embed the national dimension into a broader regional perspective. At global level, the responsibility of Member States to support UNDS efforts for a lean and agile organization was noted. At country level, opinions were mixed on whether current instruments such as the UNDAF and the Delivering-as-One model were adequate for the post-2015 challenges or an “UNDAF+” and a “DaO+”, or a new generation of instruments to complement them, would be needed at country and regional levels. The role of the Resident Coordinator, as well as its selection and funding, were also touched upon with the idea to ensure the appropriate leadership that cuts across single entity interests and branding. Overall, participants agreed that efforts at country level have not been equally matched at headquarters, where a need to catch up with progress on the ground is required to sustain gains in the field. The increasing importance of regional organizations was noted, both as agenda setters and implementing partners; the capacity of regional entities should be captured to both ride a learning curve which is often ahead of global fora and to sustain gains at national level which can be vulnerable to challenges that increasingly know no borders.

Capacity and Impact

For the UNDS to respond to country needs and deliver results, and remain relevant in a context characterized by a plethora of development actors, the importance of recruiting, training, retaining and incentivizing staff capable to provide specialized and complementary support to national capacity was underscored as critical. Building a workforce with the necessary capacities, flexibility, mobility as well as the ability to transcend agency-specific identity and allegiance was identified as a vital need and challenge for the way ahead. Building national capacities and institutions was equally deemed essential for sustainable outcomes. The importance of results over process was pointed out. In this regard, the need to

improve coherence of results-based management and reporting across entities, including with a view to enabling a better measurement of the results of the system as a whole, was underscored. Yet, a note of caution was also raised on overemphasizing reporting on what can be measured, rather than reporting on what is most significant – which may often be not boxed into the measurement confines.

Partnership approaches

The complexity of the new development agenda, the reality that governments cannot deliver alone, and the fact that more and more players are engaged and hold the resources in the development arena, was captured in the spirit of the SDGs which define partnership as the critical means of implementation. The importance for the UNDS to leverage and foster an inclusive space for all development actors was underscored, yet participants reiterated that partnership efforts should be brought in line with Member States' goals and mandates through transparent and accountable partnership approaches. The importance of oversight by Member States was reiterated; the need to make the UN user-friendly to attract and engage external players was also pointed out. The need for a system-wide approach to partnership was also mentioned, though the space to do so remains unclear. Participants pointed to some successful multi-stakeholder partnerships that tackled specific issues or cut across issue areas, such as UNAIDS and Every Woman Every Child, noting that examples of partnership innovation exist and should be built upon.

The Annex to this summary offers an insight into the details of the working group discussions on the elements categorized above.

Over the course of the retreat, participants seemed to be in overall agreement on the “what” and, in some instances, held divergent views on the “how”. Yet, as the conversation evolved over the course of the two day retreat, Member States strongly converged towards a sense that common ground must be sought, that concrete proposals should be discussed in the second phase of the Dialogue, and that the post-2015 Summit must provide a strong call to ensure a UNDS that is fit to deliver on the ambitions of the new development agenda.

ANNEX

Working Group 1: Funding practices

Key Messages

Addressing core/non-core imbalance

The adoption of the post-2015 development agenda provides an opportunity to address the worrisome trend of stagnant core funding for UN operational activities for development witnessed since the 1990s. Although donors are generally well aware of the benefits of core resources, the reality is that providing non-core funding to the UN is often seen to be a more attractive option since it is sometimes difficult to attribute specific development results to core contributions. There is therefore need to develop mechanisms that better explain the specific development results achieved through core funding.

Modalities to increase core funding

While recognizing that core funding is highly important and that Member States have a responsibility to finance intergovernmentally-agreed strategic plans of entities, there is no appetite at present to consider introducing the assessed contributions modality to UN entities that rely entirely on voluntary contributions.

Negotiated voluntary core pledges or voluntary indicative scale of contributions are options which could be explored, learning from examples used by entities that have already employed these funding modalities (e.g. IFAD, UNEP, WHO). Currently the UN development system relies too heavily on a few donors, especially for its core resource base. It will be important to have some of the new, emerging donors incrementally increase their core contributions to the UN development system. However, caution must be used to ensure that any new approach does not place too much pressure on donors, given the reality of growing competition vis-à-vis other development cooperation actors.

Enhancing flexibility and predictability of funding

It will be important to increase the amount of softly earmarked funding, through instruments like thematic funds and multi donor trust funds. Programme and project-specific non-core funding should be reduced to the extent possible. As such there is also need for enhanced information-sharing on funding practices applied by Member States. Furthermore, with non-state contributors expected to play a larger role financially in the post-2015 era, it will be key to find ways to ensure that funding from these actors are made more flexible.

Multi-donor trust funds have plenty of potential but in general they are currently not being used to the fullest extent. Having fewer funds with broader scope is a strategy worth considering in this regard. In this context, there is a lot the development side can learn from pooled mechanisms working on the humanitarian side. For instance, there is no equivalent on the development side of the Central Emergency Response Fund (CERF).

Linking governance to funding patterns

There is need to bear in mind new non-state sources of funding. Their reality may require an adjustment in the area of governance in order to attract their support and give them a voice. Such changes in governance may further encourage funding from these new sources.

Possible way forward

- UN entities could consider the possibility of engaging in structured financing dialogues to discuss ways to ensure predictable, flexible and sufficient funding.
- Each entity could develop concrete proposals on voluntary options to increase core funding and broaden the core funding base for consideration of Member States.
- UN entities need to make data on funding more transparent, especially core funding, with improved mapping at country-level to assure Member States that resources are being spent on the highest needs.

Working Group 2: Governance structures

Key Messages

Mission, guiding principles and overarching framework for governance reform

The ultimate goal of governance improvement must be enhancing effectiveness to deliver for the people the UN development system is called upon to serve. In this regard, effective governance should provide strategic guidance and ensure oversight and accountability. While keeping in mind these fundamental principles, governance reform should retool existing structures rather than creating new ones, and shy away from attempts to create a new level of bureaucracy. The post-2015 development agenda provides a common vision and unifying framework across entities and issue areas; the SDGs could be incorporated into the strategic plans of UN entities through their existing governing bodies to provide system-wide guidance, which must enable decentralization of governing efforts, empower entity management to manage, and ensure a differentiated and flexible approach to thematic and county needs, for results on the ground.

The role of existing structures

At the global level, the role of the High level Political Forum and ECOSOC could be improved. The question arises on how to balance global and devolved governance and whether these existing structures can exert more strategic guidance and oversight, with devolution of governance to stakeholders at the entity level.

The QCPR offers a tool to delve into the specifics across funds and programmes. Expanding its reach to specialized agencies can ensure a system-wide approach that can bridge the divide between system-wide and individual entity governance. In addition, one option for the next generation of the QCPR could be to call for the inclusion of results frameworks based on the SDGs in UNDS entity plans, which would allow horizontal/joint or shared objectives and agency/vertical specifics.

At the country level, UNDAF and the role of UNCTs could be improved to ensure national priorities are reflected and reporting is ensured for strong accountability to programme countries and their governments. Regional bodies and global funds, which are growing and increasingly gaining strengths, should be included in a new governance equation.

Coherence and coordination

System-wide strategic guidance can also be ensured through coherence and coordination among existing governance structures. Challenges persist not only in UN practices, but also within Member States, who face internal coordination challenges and often need to strengthen inter-ministerial cooperation in order to be able to ensure coherent vision and coherent guidance to the UNDS across issue areas.

Funding is also a driver of potential lack of coherence and fragmentation. Addressing the fundamental interlinkage between function and form remains critical and cannot be understated, as form must follow function for coherent and effective action.

Examples exist of vertical coherence based on joint practices and work. It is important to learn from these examples and draw the necessary lessons that can be applied in other contexts.

Constituency engagement and representation

Civil society and the private sector are not just a voice or independent players, but most often a partner of the UN system in the development space. Ensuring that their voice is heard within UN governance structures can help attract them, harness their strengths, benefit from their expertise, and contribute to horizontal accountability. Voting rights should however be left to the governments.

Examples of multi-stakeholder governance exist across the system. The details and specifics of each experience could be examined for possible application to other governance structures in the system.

Representation and working methods

There is need to review equity and effectiveness of representation in governing bodies in the UN development system. Representation should also be fair to those countries who invest in specific entities, including incentivizing donors to continue to provide their support. How to achieve such balance remains an issue that will need further discussion during the second phase of the ECOSOC Dialogue.

Consensus revolves around the need to improve working methods of governing bodies. The issue remains on how to reconcile governance arrangements that adhere to norms, rules and regulations, including for accountability, and the entrepreneurial, innovative spirit needed for governance arrangements that can respond to today's challenges.

Ensuring the necessary capacity of government representatives in the governance mechanisms across the system is also important to effective governance.

The way forward

- The role of ECOSOC and the HLPF should be further explored with a view to ensuring system-wide governance in the implementation of the SDGs.
- The QCPR framework could potentially be expanded to include specialized agencies and could be improved with the inclusion of results frameworks geared towards ensuring accountability for results on SDG implementation.
- Representation, capacity and working methods should be reviewed to ensure that governance structures rise to the challenge of a new development agenda and reflect the reality of today's players in the development arena.

Working Group 3: Organizational arrangements and capacity

Key Messages

Enhancing global level collaboration

Marking a departure from the MDGs, the post-2015 development agenda requires a re-examination of the organizational arrangements and capacity of the UN development system. At the global level, there is scope to reduce fragmentation and expand collaboration between UN entities during the strategic planning phase. There is broad support for an examination of the ways in which the QCPR can be expanded to cover the entire UN development system, including specialized agencies, to help align organizational practices to a comprehensive system-wide approach, including to a possible reporting mechanism that could potentially deliver reports to ECOSOC. Presently, specialized agencies face difficulties in aligning their work with the QCPR due to their separate governance structures, and such reforms could go a long way to improving system-wide coherence and collaboration at the level of organizational arrangements as well.

Need-based country level support

Global fragmentation extends to the national level, where there is a need to rescale and reorganize country level operations to improve the distribution of resources across the system, coherence between agencies, and flexibility in management. It is essential that the UN development system is able to deliver effective services that are tailored to the needs of each country.

While an expanded QCPR and system-wide monitoring framework could help UN agencies to unify around a common set of goals and practices at the country level, there is also need to examine options for further improving coherence at the country level. One possibility is to organize country teams by issue rather than agency, fostering a team mentality and making it easier to merge some functions such as communications.

Furthermore, to optimize the distribution of resources across the system, a review should be conducted to evaluate the role and organizational arrangements of each agency to determine the optimal size and make-up of its operations. In some cases, such as in the LDCs and countries facing crisis situations, it may be important to have a large UN presence. In others, such as in middle-income countries, there is the possibility of scaling down the presence of some agencies and making greater use of regional level policy teams.

In addition, there is some support to build more flexibility into the system at the country level, so that the UN development system can change its work plan and goals to respond more effectively to the needs of countries affected by crises.

The role of Resident Coordinators

There is also agreement that resident coordinators play a critical role in ensuring effective need-based support at the country level. Given the importance of this position, it is essential that resident coordinators are selected based on their experience, cultural sensitivity and leadership qualities. Since the post-2015 agenda is geared towards integration between the development sector and the other areas of UN work, it is also critical that resident

coordinators have a good understanding of the humanitarian, peace and security, and human rights sectors, and have the capacity to link these with the development agenda.

The way forward

- In order to improve the system-wide distribution of resources, the role and organizational arrangements of each UN development agency should be reviewed at the country level to determine the optimal size and make-up of its operations.
- The possibilities for expanding the scope of the QCPR to include specialized agencies and introducing a system-wide reporting framework could be explored with the goal of reducing fragmentation and improving collaboration between agencies.
- The selection criteria for resident coordinators could be reviewed to ensure that effective need-based support is delivered at the country level.

Working Group 4: Impact and partnerships approaches

Key Messages

Partnerships for impact rooted in country ownership and national priorities

The post-2015 development agenda and the SDGs represent a broad framework in which partnerships will be essential for success. Partnerships can improve the capacity of the UN development system to deliver on its aims. Partnerships become meaningful when there is a framework and responsibilities are delineated, and gaps can be found and tackled. The new framework must allow priorities to be set differently for each country, according to national circumstances. The subsidiarity principle must underpin all partnerships that the UN forms. Governments must remain in the lead as they have the capacity to align partnerships with national priorities and the UNDS has the unique advantage to provide the necessary space.

Partnerships as means of implementation for the SDGs

The new development agenda can and must be the opportunity for the UN development system to review, transform and strengthen how it approaches and formulates partnerships. As a start, partnerships should be intended as means to implement a Member State-led agenda, not means to set an agenda. Strong partnerships are needed at the programmatic level to ensure the implementation of the SDGs. It is important to recognize that innovative models exist, both within and outside the UN development system, which should be built upon. While Member States should remain in the lead of partnership efforts, partnerships must go beyond enlightened paternalism and engage a variety of actors from an early stage, including building ownership around the SDGs.

Partnerships according to UN norms, principles, legitimacy and accountability

Partnerships must be aligned with and consistent with UN norms and standards, and ensure accountability for results. Legitimacy should be a driving principle for partnerships fostered within the UN platform. The international community must be careful to protect the principles of the UN, as well as the UN brand and its intangible value. Such value should not be exploited for private gains. The SDGs are well-placed to be the accountability framework that guides partnership formation and implementation. Partnerships should be built upon mutual and system accountability that includes governments, UN agencies, the private sector, and civil society, with appropriate checks and balances.

The role of ECOSOC and regional entities

ECOSOC could serve as an intergovernmental focal point for partnerships involving UN entities, providing strategic direction, analysis, monitoring and oversight of such efforts in the development space. In this regard, ECOSOC could reorient its working methods so that the Council can leverage partnerships that cut across issue areas and help bring the UN development system around a horizontal approach to implementation.

The regional dimension is growing fast and regional entities are becoming increasingly important, both in the private and in the public arena; harnessing their strengths as a partner will become increasingly important along the whole partnership cycle, from its formation to its evaluation for results. The UN Regional Commissions have an active role to play to help shape, build and bring to bear partnerships that often address issues that affect and depend on the regional dimension.

The way forward

- Transparency, oversight and accountability must be ensured to align partnerships to UN goals and mandates and ensure results on the ground.
- The UN development system must adopt a system-wide approach to partnerships to ensure coherence of partnership practices in support of SDG implementation.
- The appropriate forum to set standards, review progress and guide the way forward should be explored, with attention to those fora where work is already ongoing.