



**UNITED NATIONS
DEVELOPMENT GROUP**

Improving the Coordination of the UN's Operational Activities for Development

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Summary

- Rapidly Changing Development Landscape
- UNDG's Value Proposition
- Enhancing Coordination of the UN's Operational Activities:
 - RC System; UNDAF/Programming; Business Practices; Funding for Coordination
 - Status/Challenges; UNDG perspectives, Reflections of a former UN RC
- Conclusion – QCPR: A Great Opportunity

Changing Development Landscape

- The past two decades have seen the intensification of global challenges, which require collective and coordinated action. These include:
 - Sustainable development;
 - The rising inequalities within and among countries;
 - Increasing number of countries in crisis and transition situations;
- SG's Report calls for both a **strategic repositioning** and **further system-wide coherence** in order to best leverage the UN's assets and respond to these challenges
- This process of renewal to be pursued at two levels: **a) high level change processes** on long-term strategic positioning of UN development system and **b) strengthening coordination** within UN development system

The UNDG's Value Proposition

In this challenging global environment, we trust Member States will reaffirm the relevance, value and strengths of the UN development system in the QCPR based on its comparative advantages:

- **Normative role and rights-based approach** emphasizing inequalities, including gender inequality;
- **Operational role**: developing national capacities to help achieve the MDGs as well as overcome post-crisis and humanitarian challenges and **ensuring smooth transition** from emergency assistance to reconstruction and development;
- **Legitimacy and honest broker**;
- **Convening power**;
- **Country presence**;
- **Agency expertise and knowledge** (individual and joint);
- Cross-cutting reach;
- Results for **long-term transformational change** (capacity development; policy development; normative change)
- **Partnership brokering** (including private sector, social partners and civil society).

But to do so we must enhance coordination

- **Primary responsibility** for coordinating all types of external assistance, including UN support, lies with **national authorities** (2007 TCPR)
- That being said, “the UN system has the duty to make its support as **coherent, effective and efficient** as possible”;
- **Four key parts** – RC System; UNDAF/Programming Instruments; Business Practices; Funding for Coordination

RC System – Status/Challenges

- The RC system has increasingly become recognized as a **key driver of system-wide coherence**, but:
 - Coordination based on **voluntary participation**, brings **practical challenges**, including accountability for performance (**horizontal as well as vertical**);
 - Effective coordination greatly **dependent** on the **leadership** skills of Resident Coordinators and support capacity;
 - **Implementation** of RC system is **differentiated** –need for models adapted to different country contexts;
 - Need for **Greater Mutual Accountability** (including strengthening the “firewall”);
 - Need for **more universal implementation of agreed decisions**, particularly all elements of the Management and Accountability framework.

RC System - UNDG Perspective

- The UNDG has agreed:
 - The need to ensure **full implementation** of the **Management and Accountability System**, in particular in terms of mutual accountability and strengthening of the functional firewall (as confirmed by draft DaO IE). This commitment should be backed by ***regular, transparent monitoring*** and assessment of **status of implementation**, shared across the UNDG;
 - The need for the RC system to **adapt to the needs of each country** (different models as they exist now and possibly others, if needed) (as confirmed by draft DaO IE);
 - The need for **adequate capacity** for the Resident Coordinator and United Nations Country Team to undertake common work;
 - Commitment to have RCs from across the System, improve RC Assessment Process, Enhance Leadership Training and Ensure Better Gender and Geographic Balance;
 - **Limited additional authority** to the Resident Coordinator to set strategic programmatic directions and allocate available pooled funding when consensus cannot be achieved.

RC System: Reflections of a former RC

- Beyond “RC” System, other institutional **innovations** needed to drive a **more coherent UNCT** and build **effective teams**:
 - “Cluster” System;
 - Programme Coordination Groups (Vietnam) and Policy Clusters (Mozambique) move **beyond joint programming** to providing UN with **greater cross-discipline policy capacity** and bringing **normative** and **operational** closer together;
- Agency heads are **empowered** to lead such groups and then measured by UNCT colleagues on their performance (**substantive** mutual accountability)
- ALL UNCTs have **codes of conduct** modeled on **best practice**

UNDAF - Status/Challenges

- The UN Development Assistance Framework (UNDAF) has **enhanced alignment** of UN support with national development needs and priorities and global development goals, but:
 - **Governments value** the UNDAF as a tool **more than the UN** development system itself;
 - The need for the UNDAF to **continuously evolve** to meet programme country demand (difference between the “intended” strategy and the “realized” strategy);
 - Replacing agency country programming documents with an UNDAF/UNDAF Action Plan/Common Budgetary Framework (CBF), would **achieve coherence**, simplification and harmonization of UN operations, but when these instruments **are implemented in conjunction with agency country programming documents, higher transaction costs occur**;
 - Accountability to governing bodies for UNDAF results needs strengthening;

UNDAF/Programming Instruments - UNDG perspective

The UNDG has agreed:

- The **need to address the issue of parallel processes** in horizontal and vertical programmatic instruments, which is causing high transaction costs;
- The need to convene interagency consultations at a senior level on **simplifying and reducing** the transaction costs of programming;
- **Innovations** in programmatic instruments have been **valuable** (e.g. One Programme, including CBF and UNDAF Action Plan), but **further simplification** of programme instruments are needed (as confirmed by draft DaO IE);
- All UNDG decisions reached on **further simplification** and transaction cost reduction, ensure that programming documents (UNDAF or One Programmes) are to be 1) driven by **national development priorities**, rather than Agency mandates etc. ; 2) relevant for **non-UN partners**; 3) **produced in a shorter time period** as to better complement Government Planning Cycle; and 4) **strengthening agency accountability** for UNDAF results.

UNDAF/Programming Instruments – Reflections of a former RC

- **Replace Agency** programming documents with **One Programme** (made up of One Programme, Action Plan and Common Budgetary Framework);
- Complement **One Programme/Simplified UNDAF** with **integrated work planning, rationalized joint reporting** and fully shared approach and enhanced set of tools for **more robust results monitoring and evaluation** (Draft Independent Evaluation DaO);
- Revised **UNDAF/One Programme** approved at country level, endorsed by Governing Bodies;
- Towards **A More Analytical Approach – Unbundle** why DaO Pilots Were Particularly Successful at **Advancing Cross-Cutting Issues** (e.g. Gender Equality and Women's Empowerment) and better **connecting normative and operational** functions and **what role** programming instruments play in this? (Final Evaluation DaO?)



Business Practices - Status/Challenges

Important milestones have been achieved but greater efficiencies can be achieved:

- Survey Results: **Strong demand**/need to **improve overall efficiency** of the UN development system;
- **Limited success** in conducting accurate **cost-benefit analyses**, including reliable and credible measurement of efficiencies and cost reductions (confirmed by draft DaO IE);
- ***Capacity limitations*** in operations management constrain faster change (confirmed by draft “DaO” IE;)
- Varying agency-specific business models, varying policies and procedures and Agency **vertical accountability**.

Business Practices - UNDG Perspective

The UNDG has agreed:

- **Fast-track full implementation of all existing** agreements on **harmonization and simplification** of business practices in collaboration with the HLCM;
- Focus on **low-hanging fruits** that have already been identified (i.e. procurement, human resources, common services and ICT);
- In some cases, further advances depend on High level commitment of agency leaderships to fast track such changes, and need to **communicate such message** across the UNDG;
- Agency-specific **procedural restrictions** must be **addressed** to ensure organizational effectiveness and cost savings;
- UNDG ASG AG undertake review of agreed commitments with a view to developing **an agreed set of priority actions** to be undertaken by UNDG members and **reinforced by joint communication** to all levels of their respective organizations.

Business Practices – Reflections of a former RC

- **No need** to wait unduly – continue to work with “**lead**” **agency** at country level;
- “Pilot countries have approached limit of what can be achieved in terms of reducing transaction costs and increasing efficiency through country level interventions” (draft DaO IE). Yes – but pilot country innovations can be **much more widely communicated** and implemented in **interim** period;
- Need to more squarely address **structural capacity constraints** – strongly support SG’s Report’s emphasis on change management
- Much more needs to be done to “**Green the UN**” including **establishing One Green Un House** where feasible

Funding for Coordination- Status/Challenges

- It is reasonable to assume the **benefits** of coordination **exceed the costs**, but:
 - There may be scope for **realizing cost savings** by streamlining processes for preparing, monitoring and reporting on UNDAFs;
 - Challenges of **predictability, reliability, stability and sustainability** of funding for coordination remain.

Funding for Coordination – UNDG Perspective

- The UNDG has agreed to:
 - Look at a **predictable and sustainable funding model** for UN coordination (based on the UNDG burden-sharing review);
 - Request donors to provide **long-term, flexible** and **predictable funding** for operational activities of the UN system, in view of the demonstrable value add and results;
 - Request donors to fund the UN development system in a way that creates **incentives for joint collaboration**, in particular by encouraging agencies to enhance collaboration.

Funding for Coordination – Reflections of a Former RC

- In light of strong agreement that **strengthening capacity** of Resident Coordinators Offices (RCOs) important for enhancing country level coherence (92% RCs plus more than half UNCTs) –funding for coordination **absolutely critical** – lack of funding most painful issue for RCs today
- Need for **transitional arrangements** with donor support until implementation of agreed recommendations
- **Avoid unintended consequences** of losing hard earned coordination gains at all costs.

Conclusion

- The QCPR is a great opportunity for the UN development system to receive renewed direction from the General Assembly.
- In this regard, the UNDG recognizes the need for the QCPR to:
 - Make the UN development **system fit for purpose** in a range of country development contexts;
 - **Position** the UN development system, **at the centre** of country-level implementation of new development agreements, including the sustainable development and effective development cooperation agendas;
 - Establish a **forward-looking results orientation** for the UN development system;
 - **Equip the RC system** with the **necessary tools** to provide effective country-level coordination, where appropriate and based on UN presence and national demand;
 - **Increase the flexibility** and **national ownership** of common country programming and instruments;
 - Provide a **long-term and predictable funding** base for UN operational activities for development; and
 - Make further progress to **simplify and harmonize** within existing rules and regulations while recognizing the considerable savings that can also be made within Agencies;