

## The UNDS revamped regional approach

– Explanatory note –

### Current status

The UN development system (UNDS) concentrates a wide range of capacities at regional level, mostly within the regional economic and social commissions (RECs), and the regional -offices of specialized agencies, funds and programmes. DESA also engages in specific capacity development activities at the regional level in close coordination with RECs.

The RECs perform three major common inter-connected functions, including: convening in support to intergovernmental platforms; think tank functions, serving as a source of knowledge, data, statistics and evidence-based analysis for Member States on priority policy issues; and operational functions, providing policy advice and targeted capacity development to assist Member States to achieve results on regional and global agreements and trans-boundary and sub-regional issues. The RECs serve as policy integrator of the 2030 Agenda at the regional level by leveraging these three functions. In addition to extra-budgetary funds, the RECs rely on Development Account, the United Nations Peace and Development Trust Fund and the Regular Programme for Technical Cooperation to meet the needs of their member countries. At present, the five RECs combined have 2,800 personnel with an annual expenditure of \$360 million<sup>1</sup>.

United Nations Funds, Programmes and Specialized Agencies maintain regional presences to provide strategic and policy guidance, technical backstopping, policy and operational support to their country offices. They also produce multi-country and regionally focused data and analysis. They have a total of 6,800 personnel and an annual expenditure of \$1.2 billion, mostly allocated to country-level support, including back office functions.

The Department of Economic and Social Affairs (DESA) does not have a regional presence but engages in capacity development activities at the regional and country levels through its Development Account, the United Nations Peace and Development Trust Fund and the Regular Programme for Technical Cooperation. In addition, its focus on knowledge, policy and research products, along with its global intergovernmental support role, require coordination and alignment with the work of the RECs and regional teams of the UNDG.

The total UN development system regional presence amounts to some 9,600 personnel with an approximate annual expenditure of \$1.6 billion per year. RECs and regional offices of Agencies, Funds and Programmes are located in 54 cities globally. Eighty-one per cent of their personnel are located across just 15 cities. Yet, within the seven major hubs, only 50% of personnel are co-located in the main UN building in the city.

### Collaboration and Coordination at Regional Level

Two main coordination mechanisms exist. There are five Regional Coordination Mechanisms (RCMs), which are mandated by resolution 1998/46 of the Economic and Social Council (ECOSOC). They are chaired by the Deputy Secretary General and in his/her absence by the Executive Secretaries of the RECs. The RCMs provide a high-level policy platform for exchanging views on major strategic developments and challenges faced by regions and sub-regions, and alignment of regional and global agendas; promoting UN system policy coherence in response to identified regional priorities.

Meetings of the RCM are held at least twice a year. RCMs comprise all UN regional and sub-regional entities and affiliated offices. Participation in RCM meetings is usually at the level of regional directors/ heads of UN regional offices. In some regions, high-level officials of regional and sub-regional organizations, including multilateral development banks, also participate in RCM meetings.

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<sup>1</sup> Numbers are reported from the Regional Survey of UNDS Functions and Capacities for the year 2016.

There are six Regional undg Teams consisting of the regional directors of the UN funds, programmes and specialized agencies active in the respective region. In some regions, the RECs are also part of the Regional undg Teams. The Regional undg Teams provide support to resident coordinators (RCs) and UN country teams (UNCTs) for strategic priority setting, analysis and addressing cross-fertilization of best practices based on their four core functions: (1) Provision of coherent technical support to RCs and UNCTs; (2) quality assurance of UNDAF/UN joint programmes; (3) performance management; and (4) “trouble shooting” in difficult country situations and dispute resolution. The Regional undg Teams have also played a role in developing and coordinating regional strategies (e.g. Sahel, Great Lakes Region) and thematic strategies (e.g. inequalities and indigenous groups; resilience), often with partners from across the UN system. The Regional undg Teams convene 3-6 times per year.

### **What are the key elements of the revamped regional approach proposed by the Secretary-General?**

The Secretary-General has expressed his commitment to transform the regional architecture to perform the functions required by the 2030 Agenda.

The repositioning of the UNDS at the regional level is proposed to proceed in two steps:

- Step one - Optimizing, immediately, the existing United Nations regional assets to enhance the collaboration, effectiveness and efficiency of joint work at the regional level and linkages to the global and country levels.
- Step Two - Assessing in greater detail the options for bolder restructuring and reprofiling in the medium- and longer term.

Proceeding in two steps is required given the complexity of the regional level, different definitions and functions across entities of the system, and the need for further consultations with RECs and Regional undgs to ensure the way forward is evidenced-based and meets the needs and desires of the member States in each region.

The review will also take into account considerations emerging out of the DESA reform process, as mandated by resolution 70/299. Options for medium-term restructuring of the regional assets of the United Nations will be presented by 2019, as part of the Secretary-General’s annual reporting to ECOSOC Segment on Operational Activities for Development.

### **What does optimizing regional structures entail?**

Immediate steps at regional level include:

- Full implementation of the Statement of Collaboration between the undg and the RECs, extended to DESA
- A clear protocol for country engagement by Secretariat entities and other non-resident agencies. It will provide guidance for RECs and non-resident entities to keep RCs and UNCTs duly informed and to coordinate with them when working with the respective country governments, without limiting the direct channels of communication between UN entities and Governments.
- Familiarization visits – or virtual induction packages for new RCs with relevant RECs and regional offices of agencies, funds and programmes to improve understanding of the regional assets, including regional frameworks and initiatives agreed to by Member States that can be used to help advance the work of the UN country teams in support to national efforts.
- Improved UNDAF analysis of regional and transboundary issues with contributions by RECs and inclusion of REC activities, as relevant into UNDAFs. Inclusion of relevant REC activities in the UNDAF will allow for greater synergies with other activities of the UNCT, reduce overlaps and build synergies between the work of the RECs and UNCTs and ensure better alignment to key national priorities of the UN’s collective regional contribution, without limiting the direct channels of communication and policy advice between the RECs and Governments.
- Joint or back-to-back meetings of Regional undgs and RCMs and stronger DESA participation. The meetings are to be serviced by a common Secretariat which provides logistical, organizational and substantive support, creating efficiency and minimizing duplicative efforts while contributing to creating a deeper understanding across individual agencies’ work.

- Enhanced UNDS entities participation in the regional forums on sustainable development, under the auspices of the RECs.
- Ensuring that policy work of the UN, at the regional level, is carried out in close cooperation with the RECs including through a joint publications committee to reduce duplication in terms of knowledge products. This will be done drawing on existing capacities, without additional resources or structures.

#### **What actions does the Statement of Collaboration (SoC) foresee?**

- Agreed in 2016, the SoC seeks to ensure stronger cooperation between the RECs, Regional UNDG Teams, and RCs and UNCTs in assisting governments with the implementation and follow-up of the 2030 Agenda at the country level, including through the following:
  - UNCTs drawing on the RECs' normative and policy support work, technical expertise and platforms for policy discussion, and on the RECs' support to Member States for the integration of SDGs into their national development planning and fiscal frameworks;
  - RECs keeping RCs and UNCTs informed and coordinating with them when working with the respective country governments;
  - RECs will be able to draw on the UNCTs' programmatic expertise, coordination mechanisms including results groups, and body of analytical work;
  - RECs and UNCTs will apply, based on country priorities, the common methodologies and approaches agreed to by the UNDG and pursue joint programmes;
  - RECs and UNCTs will use common data and indicators where appropriate, and share data and other analytical, processing and dissemination resources, such as modelling, methodological and visualization tools;
  - RECs and UNCTs will coordinate and, where possible, integrate capacity development efforts and policy advisory services to Member States;
  - Promote UN system policy coherence and analytical frameworks for SDGs, in line with the priorities expressed by Member States. Communicate and advocate shared sustainable development policy messages;
  - Support the Follow-up and Review by Member States of the 2030 Agenda at the national, regional and global levels, in particular the support of UNCTs at the national level, and the support of RECs at the regional level, including through the Regional Forums on Sustainable Development;
  - The Statement of Collaboration will also be extended to DESA.

#### **What does medium-term restructuring entail?**

The follow-up review exercise will explore other areas where the regional level can be restructured by streamlining presence and institutional arrangements, with a view to generating better results and ensure continued ambition in the regional level repositioning. It will include options in the areas of better integration, efficiencies and effectiveness across regional capacities and coordinating mechanisms, including regional back office functions in support of UNCTs; reprofiling of RECs staff and working arrangements, including taking into account the fit-for-purpose exercises already implemented by the RECs in consultation with their Member States; exploring ways to better leverage RECs capacities for programmatic support to UNCTs, and co-location of UN entities at the regional level, as appropriate, and better using the intergovernmental platforms of RECs to develop coherent development strategies for regional implementation of the 2030 Agenda.

It is important to note that efficiency gains emerging from this exercise would be invested in strengthening the United Nations' regional response as required by the 2030 Agenda.

Such would be determined based on a full functional and capacities review of the RECs and the regional presence of UNDS entities – on a region-by-region basis -, and a review of the existing coordination mechanisms and results, to take place in 2018. Some of the RECs have already initiated similar exercises to align with the 2030 Agenda; others are in the process to initiate functional reviews in light of the 2030 Agenda.

### Oversight and performance management of resident coordinators

The proposal for an independent RC function, separated from the function of any entity representation, requires an equally impartial day-to-day management and oversight of RC activities at the regional level.

Under the new arrangements proposed for the repositioning of the UNDS, RCs will report to the UN Secretary-General through UNDOCO, with management and oversight of day-to-day activities of RCs being carried out by the UNDOCO Director, who will be supported by adequately staffed regional desks.

These new arrangements will not involve creating new layers of bureaucracy, as UN DOCO would take on this intermediary role, detached from any individual agency. These functions are currently performed by regional UNDG Chairs, who also serve as UNDP regional directors. With these functions transferred to UN DOCO, resident coordinators would have a direct reporting line to the UN Secretary-General with an impartial intermediate arrangement, functionally detached from any specific entity.

In executing its oversight and management role, UN DOCO will report to the UN Deputy Secretary-General, in her capacity of UNDG Chair, and will have overall responsibility for talent development and performance appraisal of RCs. Such arrangements will be critical in responding to three imperatives for an impartial and effective RC System:

1. More effective support and oversight of resident coordinators.
2. Greater accountability, with one clear entry point for Member States for development coordination at the global level.
3. Provide an operational and backstopping platform, allowing the UN Secretary-General and the Deputy Secretary-General to play their strategic leadership and oversight role, while UN DOCO concentrates on the day-to-day management of the RC System.

UN DOCO will continue to count on the full involvement, inputs and expertise of regional UNDGs in performing these RC management and oversight functions. This will ensure continuity in the level of system-wide engagement that currently exists regionally, and which provides for strong, senior-level backstopping support to UNCTs that is close to demand and regionally attuned. In this light, annual performance assessments of RCs will continue to be carried out by the six regional UNDGs, with the UN DOCO Director chairing and guiding these meetings, instead of the regional director of UNDP as currently is the case. A representative of the Regional Commissions and DESA will now be part of discussions of regional UNDG teams, to ensure both a stronger vertical backbone (global, regional, country) and policy-operational coherence.

Regional offices of Agencies Funds and Programmes and regional UNDGs will continue to provide substantive guidance and expertise to UNCTs both in their mandate areas and as an integrated whole. Policy and programmatic support to UNCTs will be facilitated by regular joint meetings of Regional UNDGs and RCMs. This will be the first step of a progressive movement towards greater integration of RCMs and regional UNDGs to ensure a common, integrated platform for UNCT support at the regional level

### The financial implications of optimizing the regional approach?

The Secretary-General's request for USD 255 million for a reinvigorated RC system includes provisions to strengthen regional coordination by UN DOCO regional desks. This would represent a cost of approximately USD 5 million out of the total USD 255 million. This is required for UN DOCO to effectively provide oversight and management support to RCs and performing secretariat functions to the Regional UNDG Teams. These posts will be regional desks within DOCO and will not require the creation of any additional structure.

A fully costed proposal will be worked out together with the Department of Management for the consideration of ACABQ and the Fifth Committee, based on UNDS repositioning proposals as agreed upon by member states and endorsed by the General Assembly.