

## ECOSOC Dialogue

*“The longer-term positioning of the United Nations development system”*

### Session I

ECOSOC Chamber, 15 December 2014

10 a.m. – 6 p.m.

Summary by H.E María Emma Mejía Vélez

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### Background

ECOSOC through its resolution 2014/14 decided *“to convene a transparent and inclusive dialogue involving Member States and all relevant stakeholders on the longer-term positioning of the United Nations development system, taking into account the post-2015 development agenda, including on the interlinkages between the alignment of functions, funding practices, governance structures, capacity and impact of the United Nations development system, partnership approaches and organizational arrangements.*

### Introduction

The first session of the ECOSOC Dialogue on the longer-term positioning of the United Nations development system was held in New York on 15 December 2014. It was opened by the Vice-President of the ECOSOC, H.E. Ms. María Emma Mejía Vélez (Colombia), followed by a statement by the Assistant Secretary-General for Policy Coordination and Inter-Agency Affairs in the Department of Economic and Social Affairs, Mr. Thomas Gass. The session started with a presentation of a background note prepared by independent experts, followed by panel discussions featuring representatives of governments, the UN system and civil society.

The ECOSOC Dialogue will examine the longer-term positioning of the UN development system from the perspective of the system as a whole. Discussions in the first session were underpinned by two main questions:

*Firstly, how will a universal and unified post-2015 development agenda affect the key functions of the UN development system, and*

*Secondly, how will funding practices, governance structures, capacity and impact of the UN development system, partnership approaches and organizational arrangements need to be aligned with the changing functions?*

The session provided also an opportunity for representatives of the UN development system to share with Member States the various initiatives currently being undertaken by inter-agency bodies, namely the United Nations Development Group, the High-level Committee on Management and the High-level Committee on Programmes, to prepare the Organization for the implications of the post-2015 development agenda. These included: i) improved programming

and better delivery of services through Delivering As One, and the Standard Operating Procedures, which should be extended beyond the existing group of countries; ii) new models for programming and delivery and new business models need to be developed; iii) building a modern workforce for the changing environment; re-designing and innovating business worlds and, measuring and communicating results; and iv) recognizing that the longer term positioning would require changes that go beyond enhancing coordination and coherence.

There was a generally shared view that the United Nations development system is at the cusp of the fourth generation of reforms in its history. “Business as usual” was not an option. As the same, there was need for developing better understanding among Member States of the specific meaning of the term “fit-for-purpose”.

A brief summary of key messages of the discussions that took place in the first session of the ECOSOC Dialogue, organized around the six issues highlighted in Council resolution 2014/14, as well as on the process moving forward, is provided here below.

## **Functions**

The eradication of poverty, in all its forms, remains the overarching objectives of the post-2015 development agenda and should be given the highest priority by the UN development system. There is strong need to develop a common understanding of the multi-dimensional nature of poverty and development in the post-2015 development agenda. Special focus should be given to the requirements of LDCs and the need for a differentiated approach for tackling inequalities in rights and opportunities in middle-income countries.

While there is consensus that the overall goal of the UN system is to support Member States in realizing the post-2015 development agenda, including the sustainable development goals, there is need to define more precisely what this means in terms of specific functions of the Organization.

The following functions were identified:

- The provision of support to Member States for the implementation of the global normative frameworks that are negotiated in multilateral fora. These frameworks constitute a unique comparative advantage of the UN system across the development-humanitarian-peace and security continuum;
- The UN system should also support Member States in coordinating collective responses to development challenges, or what some refer to as global public goods. It was observed that SDGs should be the focus for such activities and not GPGs, as this was not an agreed concept.
- The UN system can be expected to become a key player in statistics, analysis and reporting on progress in the implementation of the post-2015 development agenda in support of evidence-based policy-making at the national level. Towards this end, the national capacities of developing countries to collect and analyze data will need to be strengthened for the public interest;
- The relevance of the UN development system will increasingly shift from primary emphasis on disbursement of funds to up-stream work, including norms setting, policy

and advocacy. Integrated and strategic policy support can be a powerful and sustainable tool when delivered coherently at the country level;

- Building capacity in developing countries to address national priorities is essential, and optimal use should be made of available national and regional expertise;
- The UN development system should support setting-up of technology facilitation mechanisms to address existing gaps in international technology cooperation and to reduce fragmentation of efforts.
- The UN development system must also align its functions and operations with the emerging development cooperation modalities, and enhance the support provided for south-south cooperation.

It is also important to recognize that changes in the development architecture have implications for the humanitarian dimension of operational activities of the UN system, and that these pillars need to work symbiotically. Responses to crises should be more proactive, with the protracted ones approached differently, taking full advantage of all humanitarian and development tools.

Further reflection is needed on what “universality” of the post-2015 development agenda will mean for the functions of the UN development system.

The role of civil society is critical not only on the ground, in terms of service provision, but also at policy level, for bringing its understanding and expertise on the ground into the policy process.

### **Funding practices**

Unprecedented financial resources will be needed to bring about the transformative change envisaged as the result of the realization of the post-2015 development agenda, including the SDGs. The Monterrey and Doha conferences on financing for development provide a strong and holistic foundation for a post-2015 financing strategy. There is an expectation that the Third International Conference on Financing for Development to be held in July 2015 in Addis Ababa will achieve an ambitious outcome. Developing countries require continued and strengthened international financial cooperation, including the fulfillment of commitments on official development assistance.

For the UN development system, the ability to mobilize public and private resources and smartly use them to leverage action for development will be important in the post-2015 era. This will require a stronger emphasis on promoting the complementarity of different sources of financing. Nonetheless, core resources, because of their untied nature, will continue to be the bedrock of UN operational activities for development.

The issue of striking a balance between core and non-core funding could be determined by ensuring alignment of functions and financing in the UN development system. For instance, the cost of supporting norm- and standard-setting activities requires assessed contributions, while negotiated pledges may be more suitable in other areas.

In the meantime, the incentives for increasing core funding must be strengthened as this source of financing allows for the most coherent pursuit of intergovernmentally-agreed objectives as

reflected in the strategic plans of UN entities. The structured dialogues on “critical mass” of core resources and on the quality of non-core funding which have taken place under the auspices of the Executive Boards of the funds and programmes in 2014 have made some progress in articulating a common understanding of the meaning of critical mass. These consultations are ongoing and their outcome should feed into the ECOSOC Dialogue on the longer-term positioning of the UN development system.

Financing ultimately determines the functions and practical work delivered by the UN development system at the country level. The realization of system-wide mandates is often most effective through the strengthening of system-wide funding mechanisms. The strengthening of such mechanisms is likely to become even more important for the realization of an integrated post-2015 development agenda.

*At the outset of the ECOSOC Dialogue, it is important to further explore questions such as the following: what are lessons learned from the use of pooled funding mechanisms? What are the options for system-wide funding mechanisms that go beyond country-based core and earmarked contributions? How to create greater synergy between development and humanitarian funding?*

## **Governance**

The transition to a universal and integrated development agenda and its implementation will have important implications for the governance of UN operational activities for development. For example, in the post-2015 era, the UN development system will increasingly have to work as one in an environment characterized by growing diversity of both national development experiences and sources of financing. This will require the UN development system to develop effective capacity for internal and external coordination.

There was a call for a review of the composition and functioning of governing bodies of UN entities, in order to reflect the current realities of increased UN membership and underrepresentation of developing countries, but it was also emphasized that changes in governance structures should be pursued through a common vision and consensus.

It was suggested that achieving greater system-wide coherence in the governance of UN operational activities will most likely require some clustering of UN entities around specific themes or issues. Improved implementation of system-wide mandates will also require stronger horizontal accountability in governance. The need for better coordination at the regional and global level was also emphasized. In this regard, the following ideas were mentioned:

- One option could be to create a supra-agency system that would coordinate the overall strategy for agencies within a region;
- The Chief Executives Board for Coordination could also evolve into a managerial entity that adopts a binding system-wide strategy for approval by ECOSOC, with UNDG/DOCO serving as the operational arm of the CEB and accountable to the Council for the implementation of system-wide mandates. The High Level Political Forum would assure the review of the implementation of the post-2015 development agenda and the necessary dialogue with the global citizens. In 2016, the General Assembly could consider an enhanced QCPR resolution that would define how the UN development system should evolve from the current institutional set-up with a view to enhancing its legitimacy, representativeness and

effectiveness, enhancing the implementation of system-wide mandates, whilst also strengthening the reporting on capacity building, employment generation, vocational training, and rural development.

### **Capacity, organizational arrangements and impact**

The momentum of the post-2015 development agenda provides a unique opportunity to strengthen and better integrate the organizational arrangements of the UN development system. The UN system needs to work in an integrated and effective manner, across sectors and thematic areas in order to effectively deliver the new agenda.

It was also observed that while reforms of the United Nations development system are required both at headquarters and in the field, these must first come from headquarters and the intergovernmental process. Reforms at the country-level have been taken as far as possible within the current framework, and the next generation of field reforms need to follow from an overall rethinking of the roles and partnerships of the system in different country contexts.

To enable the UN development system to deliver the functions envisaged for supporting the realization of the post-2015 development agenda, it was recognized that issue-based agenda clusters could be effective platforms to mobilize, leverage and integrate the capacities and strengths of multiple stakeholders. There is also need to invest in leadership and technical expertise so that these platforms can deliver results in an efficient and effective manner.

Impact should be measured through development outcomes, acknowledging that its realization relies on the successful functioning of the entire UN system architecture. In the post 2015 era, the impact on the ground will increasingly depend on the ability of the UN development system to provide adequate support to Member States in formulating policies and programmes. It will also depend on the effectiveness of the UN development system applying results-based management successfully on a system-wide and integrated basis, as well as through support to Member States in strengthening local results-based monitoring and evaluation systems which enable them to track progress and communicate results. Impact is strongest where governments have national ownership of the development agenda as well as the implementation process.

*In this context, it is important to examine whether the current model of delivering operational activities of the UN development system at the country level is sufficiently geared towards building national capacities and systems. If not, what are the main obstacles facing the UN development system in this regard? Do the delivery models of other development cooperation actors provide valuable lessons from which the UN development system can learn in this regard? What could be the vision for the evolution of capacities and organizational arrangements of UN development system entities in the post-2015 era?*

### **Partnership approaches**

The ability of the UN system to forge genuine partnerships for decision-making, strategic planning, service delivery, knowledge sharing, implementation assistance and collective monitoring and review at all levels – national, regional and global – will be critical in the post-2015 era. These partnerships should be grounded in the normative and convening roles of the United Nations and must be aligned with the mandates of the Organization. For example,

partnerships in the form of issue-based platforms need to be linked to global norms and standards adopted at the intergovernmental level.

At their best, multi-stakeholder partnerships can serve as vehicles for solving issues that governments cannot address on their own. Multi-stakeholder partnerships cannot replace the intergovernmentally-agreed *global partnership for development*. These partnerships are meant to support the strengthened and scaled-up global partnership for development that is consistent with MDG-8 and with the principle of common but differentiated responsibilities.

In practical terms, creating partnerships and synergies at headquarters is not enough. Coordination should be linked to the structural and organizational levels, with new models pushing for more coordinated responses in the field.

*The UN development system must outline the steps that needed to be taken to promote and expand effective partnerships. This raises questions such as the following: what kind of partnerships should be leveraged in different country contexts and what are their implications for organizational arrangements within the UN development system? Also, how can the UN development system become more nimble in launching such partnerships?*

### **Process moving forward**

The ECOSOC Dialogue on the longer-term positioning of the UN development system provides a unique opportunity for the Council to conduct technically-oriented, purposeful and inclusive discussions from a system-wide perspective.

A common vision and a shared agreement on how to conduct the ECOSOC Dialogue process is required if this landmark initiative is to generate the desired results. It was emphasized that the ECOSOC Dialogue process should in no way pre-empt the discussions on the post-2015 development agenda. The dialogue process should also move in tandem with the negotiations on the post-2015 development agenda, which are driven by Member States. The Summit Outcome provides an important opportunity to provide further direction to the ECOSOC Dialogue process.

In order to fulfill the main objective of this Dialogue, it would be necessary to truly understand the current status of the UN Development System, along with its key gaps and challenges, in order to allow for a real adjustment of the UN Development System to better support the implementation of the new development agenda. In this regard, it was requested that relevant background documentation including concrete data and analysis on the funding of the UN Development System, in particular on funding governance structures, alignment of functions, capacity development and impact, among others, should be provided.

There is a general understanding that for the ECOSOC Dialogue to be effective, it must be combined both formal and informal sessions and be underpinned by a rich array of documentation reflecting different perspectives. The dialogue will also require active participation of Member States, including government representatives in capitals. The objective of the ECOSOC Dialogue process, as stipulated in resolution 2014/14, should be to contribute in an effective manner to an ambitious QCPR resolution of the General Assembly at the end of 2016.