



THE PRESIDENT
OF THE
GENERAL ASSEMBLY

1 April 2021

Excellency,

I have the honour to transmit herewith, a letter from H.E. Mr. Julio César Arriola Ramírez, Permanent Representative of Paraguay to the United Nations regarding the first virtual informal dialogue to explore possible alternatives for the United Nations Pledging Conference for Development Activities, scheduled for Friday, 16 April 2021, at 10am.

Please accept, Excellency, the assurances of my highest consideration.

A handwritten signature in blue ink, appearing to read 'Volkan Bozkir'.

Volkan BOZKIR

All Permanent Representatives and
Permanent Observers to the United Nations
New York



**Permanent Mission of Paraguay
to the United Nations**

31 March 2021

Excellency,

I wish to refer to a letter dated 10 December 2020 by the President of the General Assembly, H.E. Mr. Volkan Bozkir, in which he informed the Member States of his decision to appoint me to lead an informal dialogue in early 2021 to explore possible alternatives for the United Nations Pledging Conference for Development Activities that would allow for a less rigid and more dynamic pledging event.

In line with the call to implement the necessary reforms to ensure that the United Nations is fit for purpose and can deliver the future we want, it is with great pleasure that I invite you to a first virtual informal meeting that will take place on 16 April 2021 at 10:00 a.m. The link to the meeting will be sent to you by the Secretariat in a forthcoming e-mail.

The main objective for this meeting is to have an open discussion and listen to your general views and ideas on how to reinvigorate the Pledging Conference. With your comments, a more structured timeline could be put in place to initiate our deliberations on substance on the particular issues relating to the current arrangement.

A concept note on the rationale for reviewing the format of the Pledging Conference for Development Activities is attached.

I count on your full engagement and cooperation to move this process forward.

Please accept, Excellency, the assurances of my highest consideration.

Julio Arriola
Ambassador and Permanent Representative of
Paraguay to the United Nations

To
All Permanent Representatives and
Permanent Observers to the United Nations
New York

Concept note on the review of the format of the United Nations Pledging Conference for Development Activities

Background

General Assembly resolution 32/197 (annex, para. 31) of 20 December 1977 on the restructuring of the economic and social sectors of the United Nations system, decided to consolidate pledging events into a single annual pledging conference for all UN operational activities for development. The new pledging mechanism was intended to encourage donors to increase the resources for operational activities for development on a predictable, continuous and assured basis. Since the UN Pledging Conference resulted from a consolidation of pledging events, it is the only fundraising event of its kind aimed primarily at mobilizing resources for UN development activities. Other fundraising events mobilizing resources for multiple United Nations entities include the Replenishment Conference for the Peacebuilding Fund and the Central Emergency Response Fund (CERF) High-Level Pledging Event¹.

The United Nations Pledging Conference has been held under the auspices of the General Assembly every year since 1979. The planning for each Pledging Conference by the Secretariat and related UN offices involves extensive preparations, including compiling background information on trust funds and on contributions, preparing notes of the Secretary-General on "Operational activities for development of the United Nations system" (see [A/CONF.208/2019/1](#)) and "Contributions pledged or paid at the (previous year's) United Nations Pledging Conference for Development Activities" ([A/CONF.208/2019/2](#)), as well as preparing the draft report of the Conference, inviting delegations, and ensuring that pledges are sent to the appropriate UN office, and arranging the pre-, in-, and post-session work for the meeting(s) (including the scenario, notes, Journal announcement/summaries, list of speakers, floor and podium seating, report and list of participants).

In light of the formal nature of the meetings, the extensive preparations associated with the convening of each Conference and the modest amounts pledged at each conference, recommendations have been made over the years to replace the current format with different arrangements that would better correspond to the evolving functions and objectives of the pledging event. General Assembly resolution 56/201, paragraph 26, of 21 December 2001 on the triennial comprehensive policy review of operational activities for development of the United Nations system (TCPR), requested the Secretary-General to submit, for consideration at its 57th session, a report presenting alternative options to the annual Pledging Conference, including a regular pledging event.

The report of the Secretary-General, issued as document A/57/332, noted that the pledging mechanism had "not performed" and that the format of the Pledging Conference is considered outdated, duplicative and inefficient, its modalities rigid and its timing inconvenient or incompatible with the budgetary cycles of major donors. Paragraph 39 of the report notes that *"the pledging event is merely a process of communicating a financial commitment, and this communication does not require the formality or publicity involved in the Pledging Conference"*.

Current funding situation

The Sustainable Development Goals has placed the bar high in terms of what all countries aim to achieve for people, planet and prosperity. The ambition of the 2030 Agenda instigated the major reform process of the United Nations development system towards more integrated and coordinated responses that bring the whole United Nations system together in support of the

¹ <https://cerf.un.org/event/high-level-conference/cerf-high-level-pledging-event-0>

Agenda at country, regional and global levels. The success of this reform will have a direct impact on SDG progress and acceleration during the Decade of Action.

The Secretary-General, in 2017, stated that improving the level, predictability and flexibility of the funding base is a prerequisite for the successful repositioning of the United Nations Development System, and called for a Funding Compact between Member States and the United Nations Development System. The endorsement of the Funding Compact in 2019 marked a milestone in the efforts to transform the United Nations Development System. The Compact established mutual commitments aimed at addressing high levels of earmarking and unpredictability in funding – patterns that ultimately compromise the multilateral nature of the United Nations Development System. The Compact also includes a set of commitments to ensure a more results-focused, transparent and accountable, and efficient deployment of resources by the United Nations Development System.

The latest data on United Nations Development System-wide funding flows shows that the imbalance between core and non-core funding persists. In 2019, just 22 per cent of all funding to the United Nations Development System was in the form of core resources.

The importance of core funding has been well documented and referred to by the Secretary-General² and Member States³ as the bedrock of the United Nations Development System as it allows UN organizations to plan strategically and adapt more flexibly to country needs. Never has the importance of core funding been more apparent than in 2020, with the emergence of the COVID-19 crisis. Core resources proved indispensable as these funds could be rapidly re-purposed to respond to the effects of the pandemic, unlike tightly earmarked, non-core resources which are dependent on agreements with the individual donors.

Another issue with the way that the United Nations Development System is currently funded is that most non-core resources are tightly earmarked to specific projects and/or geographical locations. Contributions to more loosely earmarked funding modalities like inter-agency pooled funds and single-agency thematic funds have increased in recent years, but from a small base. Funding to flagship inter-agency pooled funds remains well below the level that Member States committed to in the Funding Compact: in 2020, the Fund for the SDGs raised only \$48 million, and the Peacebuilding Fund raised \$180 million, compared to commitments of \$290 and \$500 million, respectively. Similarly, voluntary funding to the Special Purpose Trust Fund for the Resident Coordinator system remains below ambition, with only 43 contributors and a \$72 million funding gap in 2020.

While the Pledging Conference no longer adequately fulfills its main goal, namely, to mobilize funding for UN operational activities for development, the goal itself remains critical. Funding must change considerably so that the United Nations development system has the resources and the capacity to support Member States build back better from the COVID-19 crisis and achieve the 2030 Agenda.

Reinvigorating the Pledging Conference

Achieving the vision of the 2030 Agenda, especially following the trials of the Covid-19 pandemic, is only possible through stronger, more sustainable and flexible funding. Key to this effort is rethinking and strengthening resource mobilization mechanisms to make them fit for purpose in the current environment.

² SG report A/72/684 on repositioning the United Nations development system to deliver on the 2030 Agenda.

³ For instance, through the General Assembly resolution 75/233 on the QCPR

The UN Pledging Conference was initiated over forty years ago with the goal of increasing the resources for the United Nations Development System. While it brings visibility to some Member States for their financial commitments to the United Nations Development System, the Conference struggles to attract attention and the amount of resources that it raises is minimal. The Conference also contains little in the way of substantive dialogue on current funding issues and supporting funding efforts of United Nations Development System entities to implement their strategic plans and respond to countries' demand for support

As such, Member States may wish to consider and agree on a new model. The President of the General Assembly appointed the Permanent Representative of Paraguay, H.E. Mr. Julio Cesar Arriola Ramirez, to convene an informal dialogue in the first half of 2021 to review the Pledging Conference and explore possible alternatives that would allow for a less rigid and more dynamic pledging event. As the substantive Office for this Conference, DESA is supporting this process.