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Implementation of General Assembly resolution [71/243](#) on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, 2019

Report of the Secretary-General

Summary

In resolutions [71/243](#) on the quadrennial comprehensive policy review and [72/279](#) on the repositioning of the United Nations development system, the General Assembly recognized the level of ambition of the 2030 Agenda for Sustainable Development and set the bar high for the United Nations development system to transform in order to rise to the challenge. The United Nations development system has responded with renewed vigour and has taken bold, although at times difficult, steps to realize the vision of Member States.

In line with the mandates contained in resolutions [71/243](#) and [72/279](#), the present report illustrates the initiatives, processes and structural changes that have been put in place over the course of our ongoing journey of change, presents the outcomes of the reviews of the multi-country offices and of the United Nations regional assets, and outlines the foundational elements upon which the system-wide strategic document is being built as Member States consider the outcomes of the reform initiatives that they have called for.

The report also presents the outcome of the funding dialogue that culminated with a funding compact, aimed at shifting funding practices towards better quality and increased quantity of funding, along with increased transparency and accountability for results.

* [A/74/50](#).



At the heart of our efforts for a renewed United Nations development system rests a fundamental cultural shift, rooted in transparency, accountability and a truly collaborative approach. This is a shared responsibility that brings together the system and Member States alike, as we continue to advance in our efforts for a stronger United Nations.

As I exhort all entities to continue on this path, I also count on Member States to continue to support these efforts with the same resolve that they have shown in adopting the 2030 Agenda and the reform resolution to make the system fit to deliver on its ambition.

I am committed to continue our progress, maintaining the high level of ambition that the Member States have set, and I am determined to firmly implement the provisions contained in resolutions [71/243](#) and [72/279](#). I call upon Member States to endorse my proposals for further change in response to their mandates and I count on the system to continue to embrace the process of change and to work together as we renew our commitment to the people we serve.

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I. Introduction: a transformed United Nations development system for the 2030 Agenda

1. We are now well advanced in the transformative journey that was launched in September 2015, when world leaders adopted the 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals.
2. This is an ambitious and challenging journey. It demands a new way of responding to shared global challenges. It demands integrated responses, new and enhanced skills and knowledge, and coherence of action across diverse stakeholder groups, including governments, parliaments, civil society, the private sector, academia and international organizations, as well as the United Nations development system, which is now well advanced on its own journey to reposition itself to best support Member States in making the 2030 Agenda a reality.
3. Building on the Economic and Social Council discussions on making the United Nations “fit for purpose”, the General Assembly adopted the landmark resolution [71/243](#) on the quadrennial comprehensive policy review in December 2016, calling for a United Nations development system that is more strategic, accountable, transparent, collaborative, efficient, effective and results-oriented. In response, from my first day in office I initiated a deep review to reposition the United Nations development system to better service the 2030 Agenda, together with a reorganized approach to preventing crises and sustaining peace, and supported by a new management paradigm that decentralizes decision-making with strengthened accountability and empowers women throughout the Organization.
4. From the early days of my mandate, I have endeavoured to put development back at the centre of the work of the Organization, grounded in rights and the realization that sound investments in sustainable development form the basis for peaceful and prosperous societies that provide access to opportunities for all, without harming the planet. Sustainable development is an objective in itself, but it is also the best investment in prevention to mitigate risks, avoid conflicts, accelerate transitions out of crises and sustain peace. In March 2017, I entrusted the Deputy Secretary-General with the responsibility for coordinating United Nations activities in the field of sustainable development, and she assumed the leadership of the United Nations Sustainable Development Group. By December 2017, we had conveyed to Member States a set of proposals that would significantly transform the United Nations development system.
5. At the core of those proposals was the building of a new generation of United Nations country teams, led by an independent and empowered resident coordinator system and supported by a revitalized regional approach. I proposed measures to strengthen strategic guidance, transparency and accountability. I have launched several work streams to ensure that the United Nations has enhanced skill sets and mechanisms to help countries to scale up partnerships and realign financing to achieve the Sustainable Development Goals everywhere. Working closely with the United Nations Sustainable Development Group, we are taking a much more ambitious approach to advance common services and more efficient operations in countries, to ensure that more resources are allocated to development activities rather than administrative structures. In addition, I proposed a funding compact between Member States and the United Nations development system to introduce a fundamental shift in the way that the system is funded and to realign skewed incentives, to realize the full potential of the Organization and to enter an era of renewed trust.
6. Following an intensive consultation process, in its resolution [72/279](#), the General Assembly agreed to a package of unprecedented reforms to reposition the United Nations development system. At the heart of both the quadrennial

comprehensive policy review and resolution 72/279 is a quest to leverage the unique and diverse expertise of United Nations entities towards a more integrated and cohesive United Nations development system that is more effective, efficient and accountable to Member States as they implement the 2030 Agenda.

7. Almost a year on from the adoption of resolution 72/279, I am working closely with the United Nations development system to move ahead and implement all mandates. This is a far-reaching and fast-moving effort, the benefits of which will continue to unfold over the next 12 to 18 months. But by working in partnership with Member States, leveraging the unique assets of the United Nations development system and keeping in mind the ultimate goal – transformation and results on the ground – we are already making considerable progress.

Stocktaking on progress

8. In the present report, I elaborate on the path charted thus far, highlighting structural changes, new policies and early progress. I set out the further changes expected over the coming period and also outline a set of proposals for consideration by Member States, in response to General Assembly resolutions 71/243 and 72/279.

9. By all standards, significant progress has been made in repositioning the United Nations development system where it matters most: at the country level. The system's reconfiguration is on a positive and firm path, with strong cooperation between the newly established Development Coordination Office, the transition team, the United Nations Development Programme (UNDP) and the full United Nations Sustainable Development Group.

10. The transition on 1 January to a reinvigorated resident coordinator system began the transformation towards a new generation of United Nations country teams. We are working with Governments and other partners to identify needs and capture priorities through a much more robust and accountable joint planning process, and aligning the system's capacities with countries' expectations to realize the 2030 Agenda. Cooperation is being strengthened across the system's entities, while efficiency gains are being achieved, including through common offices and improved business operations.

11. The separation of the functions of the resident coordinator and the resident representative of UNDP has had two immediate effects. It has allowed resident coordinators to fully focus on the critical task of coordinating United Nations support for the 2030 Agenda, while also ensuring that UNDP can focus its undivided attention on reasserting its role as the world's leading poverty eradication programme, a thought leader with unique assets to support action across all dimensions of sustainable development.

12. In parallel, we are also working to strengthen the capacities, tools and skill sets of the resident coordinator system required for the paradigm shift to sustainable development. That paradigm shift applies to the imperative to support economic transformations and development processes that are context-specific, rights-based and risk-informed, to truly leave no one behind. It also requires an increased ability to respond to the specific challenges of the least developed countries, landlocked developing countries and the small island developing States and to sustain the development gains of middle-income countries, which at times are victims of their own success, even as they cope with persistent vulnerabilities.

13. Critically, we are now ready to take action to improve the development services of the multi-country offices, which support some 41 countries and territories. This calls for a prioritization of support for small island developing States, whose needs have long been bypassed in efforts to advance sustainable development. Following an

extensive review, I have included in the present report a series of steps that I believe will significantly strengthen the multi-country offices to ensure that no one is left behind in our efforts to advance the 2030 Agenda.

14. It is abundantly clear, however, that success at the country level is intertwined with transformations at the regional and global levels.

15. United Nations assets at the regional level need to be organized and deployed in a different manner for greater impact. Countries need high-quality and integrated policy support, better coordination of normative and operational assets, stronger cross-border analysis and disaggregated and reliable data for informed decision-making. With deep and lasting change, the regional level offers the best option for meeting those needs in an efficient and effective manner.

16. We have taken steps to optimize collaboration between and across teams at the global, regional and country levels. In doing so, however, it is as apparent as ever that deeper changes are needed. In that regard, following an extensive review of regional assets, I am presenting herein a series of proposals that can help us to build a United Nations regional architecture that is best suited to respond to the imperatives of the 2030 Agenda.

17. A range of improvements are also under way at the global level, but there too, we must go much further.

18. The funding compact holds the key to realizing the full potential of the United Nations development system. At present, there is a lack of funding predictability, incentives and flexibility to tackle the global, interconnected challenges embodied in the Sustainable Development Goals. We recognize that the funding hinges on commitments, accountability and resolve to work and report together as a unified United Nations development system to deliver on the 2030 Agenda. A better funded United Nations development system will have increased ability and flexibility to support Member States in mobilizing financing for the achievement of the Sustainable Development Goals, in line with the commitments agreed in the Addis Ababa Action Agenda of the Third International Conference on Financing for Development.

19. A reconfigured United Nations Sustainable Development Group is guiding strategic, policy and operational decision-making to enable a whole-of-system approach. The system-wide strategic document requested by Member States is now well advanced. The Joint Steering Committee to Advance Humanitarian and Development Collaboration is bringing development to the centre of the conversation on humanitarian and peace interventions. The Deputy Secretary-General chairs the Joint Steering Committee, to ensure a direct link to the activities of the United Nations Sustainable Development Group, and the Administrator of UNDP and the Emergency Relief Coordinator serve as Vice-Chairs.

20. Through the work of the United Nations Sustainable Development Group, the United Nations Office for Partnerships and on the United Nations Global Compact, we are boosting efforts to leverage the assets and enthusiasm of a broad range of partners eager to work with us for a better world. At the second High-level United Nations Conference on South-South Cooperation, held on the occasion of the fortieth anniversary of the adoption of the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries, the world was reminded of the unique contributions of South-South cooperation as a complement to official development assistance. The reform of the Department of Economic and Social Affairs, a central piece of the United Nations development system, is also progressing. But, as elsewhere, much more remains to be done to meet Member States' expectations.

21. We are taking steps to strengthen our accountability to Member States and other partners on system-wide activities on the Sustainable Development Goals. A culture of transparency, results-based management and evaluation is steadily maturing system-wide, including through evidence-based monitoring and reporting on the quadrennial comprehensive policy review and the repositioning of the United Nations development system. The role of the operational activities segment of the Economic and Social Council as the accountability platform for system-wide efforts is being upgraded, and governing bodies are working more in line with the guidance of the Council and the General Assembly.

Moving forward together

22. In September 2019, world leaders will gather for the first time to take stock of progress on our shared efforts to advance Sustainable Development Goal implementation. The emerging evidence shows that we must urgently step up our response and embrace the paradigm shift that lies at the very core of the 2030 Agenda.

23. The United Nations development system is making the changes needed to ensure that it plays its full part. I am grateful for the trust and support of Member States during our repositioning journey.

24. If we are fully on track today, less than six months since the operationalization of the new resident coordinator system, it is also thanks to the leadership and to colleagues from across the system for engaging and contributing to the various work streams relating to the reform. United Nations colleagues from across the United Nations development system and the Secretariat have contributed actively – at all levels and within tight timelines – to provide tangible inputs to all deliverables to date. The timely cost-sharing contributions by the system also have been decisive in our efforts to establish a new coordination system and ensure a seamless transition to a repositioned United Nations development system.

25. I am fully aware that this far-reaching and intensive process requires additional investment in time and energy from colleagues at all levels – and also behavioural shifts that challenge comfort zones. In many ways, this is also indicative of the high level of ambition set by the General Assembly. I trust we will all go above and beyond in our efforts to meet the expectations of Member States and the people we serve.

26. Reform is not only about changing structures, but also transforming ways of working and mindsets. We work for success, mindful that each element of reform is interlinked and builds upon the other. At the same time, reform comes with challenges and risks for which we are mutually accountable and must monitor closely and manage swiftly. We must all collectively take a leap towards the promise of a fit-for-purpose United Nations development system, and we must do so understanding that the process will include obstacles that we must navigate.

27. I am keenly aware of the pressure on Governments as they grapple with global challenges and fiscal pressures in the context of growing scepticism towards multilateralism. I know that what ultimately counts is not reform but the improved results that those reforms help to achieve.

28. I am confident that by the time that the operational activities segment is held in 2020 those improved results will have become more and more apparent. I ask that Member States and the United Nations development system continue to stay the course and help us to advance, pushing us forward towards that ultimate destination.

II. Delivering results for countries and their people

29. The contribution of the United Nations development system to ending poverty and achieving sustainable development will ultimately be judged by its impact at the

country level. Over the past year, we have made significant progress in establishing new foundations, coordination and accountability at all levels. We have moved forward in generating efficiencies and have identified specific actions to strengthen the multi-country offices. This chapter elaborates on each of those issues.

A. A reinvigorated resident coordinator system

30. A reinvigorated resident coordinator system, led by a strengthened resident coordinator, is at the centre of the repositioned United Nations development system. With strengthened authority and impartiality, full-time leadership and enhanced capacities of the supporting team, the resident coordinator can now truly lead the United Nations country teams' contributions to countries' implementation of the 2030 Agenda. This is why I have made a successful and timely transition into a new resident coordinator system a top priority.

31. With the support of UNDP and several departments and offices of the Secretariat, including the Department of Management Strategy Policy and Compliance, the Office of Legal Affairs and the transition team for the repositioning of the United Nations development system, we have taken forward all of the actions that I outlined in the implementation plan for the inception of a reinvigorated resident coordinator system, as presented to Member States in September 2018.

32. As will be further detailed in the complementary report to be submitted to the Economic and Social Council during its operational activities segment on the activities of the Development Coordination Office, all steps foreseen in the resident coordinator system implementation plan until this point have been successfully undertaken. This allowed for a smooth operational transition on 1 January, with further measures and progressive reinforcement of the resident coordinator system to follow throughout 2019.

33. The key milestones achieved include:

- Approval by the Advisory Committee on Administrative and Budgetary Questions in 2018 of the creation of applicable posts of the new resident coordinator system in the Secretariat staffing structure, along with a recommendation to review the set-up after one year, as necessary.
- Signature of a memorandum of understanding between the Secretariat and UNDP, whereby UNDP continues to provide some operational services to the resident coordinator system during this transitional period on a fee-for-service basis.
- Designation letters sent to all Governments hosting United Nations country teams to confirm the designation (or re-designation) of respective resident coordinators and the applicable legal framework for their operation.
- Creation on 1 November 2018 of a new Development Coordination Office, as a stand-alone office within the Secretariat; and launch of a dynamic recruitment drive for the new Office, which will continue throughout the first half of 2019, with a focus on ensuring gender parity and geographical balance.
- New and strengthened resident coordinator offices are being rolled out, with the approval by the Development Coordination Office of country-specific transition and staffing plans in each resident coordinator office, in line with the core functions and posts agreed by Member States. This is being organized in stages to ensure business continuity in the operations of the resident coordinator system, with the progressive strengthening of resident coordinator offices to ensure that they can support and enable country-level action through enhanced

strategic planning, economics, policy support, monitoring and evaluation, and strategic partnerships.

- Development with the Department of Global Communications of a plan for the progressive integration of United Nations information centres with resident coordinator offices, to ensure more effective communications and efficiency in the deployment of Secretariat assets on the ground.
- The creation of a special purpose trust fund to receive funding from all three funding streams for the new resident coordinator system, as requested by the General Assembly. For the first time, the Secretariat has created a publicly accessible web portal with real-time information on all pledges, commitments and contributions to the special purpose trust fund.

34. A timely transition was also possible because of the collective efforts to secure the necessary resources for the new resident coordinator system, estimated at \$281 million per year, including the costs of all posts and basic operating costs for 131 resident coordinator offices, in addition to a reinforced Development Coordination Office and its new regional desk.

35. Since the General Assembly agreed on a compromise hybrid funding model, I have spared no effort to ensure that sufficient funding is mobilized, leveraging three funding streams: voluntary contributions by Member States, the United Nations entity cost-sharing contributions and the 1 per cent levy on tightly earmarked donor contributions to projects of entities of the United Nations development system.

36. The United Nations entity cost-sharing arrangement has been implemented swiftly. The Fifth Committee approved a regular budget appropriation request in the amount of \$13,571,800, representing the Secretariat share of the United Nations entity cost-sharing arrangement for 2019. The other entities of the United Nations Sustainable Development Group followed suit and committed to disbursing or have already disbursed their contributions, thanks to the active support of their governing bodies.

37. The response by Member States regarding voluntary contributions has also been encouraging. To date, almost 40 Member States have responded to my call for the rapid mobilization of voluntary resources, providing approximately \$120 million in contributions.

38. Finally, the 1 per cent levy is starting to materialize. Following open and intensive consultations with Member States and the United Nations development system, a guidance note was shared in March 2019 with methodological clarifications on the levy's operationalization. Member States and other funding partners are now in the process of confirming their preferred modalities for the collection and transfer of the corresponding amounts into the special purpose trust fund for the resident coordinator system.

39. Combined, the resources currently available for the reinvigorated resident coordinator system amount to approximately \$195 million. This is higher than the resource base previously available for coordination and has made possible a transition within the timelines and commensurate with our ambitions, given that the staffing of the new system is being carried out progressively.

40. I deeply appreciate all Member States that have found ways to contribute to the special purpose trust fund within very tight timelines – including in some cases through multi-year commitments and by front-loading funds to facilitate the transition. However, a gap remains to be filled to ensure a fully funded system by the end of 2019. I therefore call upon all Member States that have yet to contribute to the resident coordinator system to consider supporting it as soon as possible. The resident

coordinator system is the critical infrastructure of the United Nations for sustainable development. Ensuring wide ownership across all regions of this critical function is paramount to repositioning development at the heart of the United Nations. The 1 per cent levy, which is now operational, should partly help to bridge the remaining funding gap; but we will also keep working closely with Member States to ensure a fully funded system that allows us to deliver on the promises of a reinvigorated coordination system.

41. At the end of the day, Member States have opted for the hybrid funding model for the new resident coordinator system. It is our collective responsibility to ensure that it works effectively and secures the sustainability of funding over the coming years.

42. I will continue to track the outcomes of our resource mobilization efforts and report periodically through Development Coordination Office updates, as well as annually to the Economic and Social Council. As requested by the General Assembly in its resolution [72/279](#), I will also submit a comprehensive review with my recommendations on the functioning of the resident coordinator system, including its funding arrangement, during the seventy-fifth session of the General Assembly.

Operationalizing the new authorities and accountability lines of resident coordinators/United Nations country teams

43. To ensure clarity on new roles and accountability lines under a repositioned system, the job description of resident coordinators has been revised to realign it with the functions and responsibilities defined by the General Assembly. The primary function of the resident coordinator is to coordinate United Nations assets on the ground to advance sustainable development and leave no one behind, with the eradication of poverty in all its forms and dimensions as an overarching objective. As I have stated repeatedly, sustainable development must be in the DNA of a resident coordinator.

44. Since January, resident coordinators have a direct reporting line to me in a system managed by the Development Coordination Office. Headed by an Assistant Secretary-General for Development Coordination, reporting directly to the Deputy Secretary-General/Chair of the United Nations Sustainable Development Group, the Development Coordination Office has started to step up its capacities for enhanced oversight of and support for the United Nations Sustainable Development Group and resident coordinators/United Nations country teams, as well as to respond to its new management responsibilities for the resident coordinator system. All recruitment of staff at headquarters and for the regional Development Coordination Office desks will be completed in 2019.

45. At the heart of a strong and successful resident coordinator system lie clear accountability lines across all actors in the United Nations development system at the country, regional and global levels. In consultation with the United Nations Sustainable Development Group, we have worked to achieve shared clarity on the new relationships between resident coordinators and United Nations country team members. In that regard, the country-level aspects of the management and accountability framework of the United Nations development system were finalized in March 2019. The management and accountability framework is an important internal document that operationalizes the new resident coordinator/United Nations country team relationships within the United Nations system as defined in General Assembly resolution [72/279](#). It is founded on the dual accountability system defined by the General Assembly, which ensures that United Nations development system country representatives remain fully accountable to their respective entities on individual mandates, while periodically reporting to the resident coordinator on their

individual activities and respective contributions to the system-wide efforts of United Nations country teams towards the implementation of the 2030 Agenda. The management and accountability framework also includes an informal dispute resolution mechanism. The regional and global dimensions of the management and accountability framework are expected to be finalized later in 2019, following consideration by Member States of the regional review, at which point any necessary adjustments to the country-level chapter will also be considered.

46. Ultimately, our success in implementing the new accountability lines within United Nations country teams will require continued leadership and close monitoring by both the system and Member States. There is still some way to go before the new system of accountability – and a new, more collaborative culture – are fully consolidated. The situation is changing rapidly, as part of the ongoing reform efforts, but we will continue to count on all Member States and governing bodies across the Organization to ensure that the United Nations development system makes the necessary transition from competition to collaboration. We will keep Member States informed as the process unfolds.

B. A new generation of United Nations country teams

47. In addition to the implementation of a new system of accountability and reporting through the United Nations development system management and accountability framework, as well as new approaches to the coordination and configuration of United Nations country teams, the success of the reinvigorated resident coordinator system at the country level will be facilitated by a redesigned United Nations Development Assistance Framework. The redesigned Framework, which I am renaming the “United Nations Sustainable Development Cooperation Framework”, will provide the basis for a realignment of the focus and composition of United Nations country teams and what they have to offer with regard to nationally defined Sustainable Development Goal priorities.

48. We also need to ensure that the relevant leadership, capacities and skill sets are available within United Nations country teams to support country needs, complementing and building national capacities. Ultimately, our effort is guided by the recognition in the 2030 Agenda that each country faces specific challenges to achieve sustainable development. Moving forward, we will ensure a tailored, demand-driven response to each country context. This will require integrated responses to the special challenges facing the most vulnerable countries, in particular African countries, the least developed countries, landlocked developing countries, small island developing States and countries in situations of conflict. We are also renewing our approach to respond to the specific challenges facing middle-income countries.

Shaping the new United Nations Sustainable Development Cooperation Framework

49. The United Nations Sustainable Development Group has taken decisive steps to implement the decision in General Assembly resolution [72/279](#) to elevate the United Nations Development Assistance Framework to make it the most important instrument for the planning and implementation of United Nations development activities in each country, in support of the implementation of the 2030 Agenda.

50. Through the leadership of a design team for the Framework, co-chaired by the United Nations Population Fund (UNFPA) and the United Nations Educational, Scientific and Cultural Organization (UNESCO), the system is translating the mandates of the General Assembly into internal guidelines that will ensure a coherent

approach across United Nations country teams as they develop new Sustainable Development Cooperation Frameworks under the leadership of the host Government. The guidelines position the Cooperation Framework as a demand-driven expression of the collective value proposition of the United Nations in country, supported by a single common country assessment and national development plans, from which individual actors and accountability for results will be derived.

51. The new guidelines provide for the following:

- (a) A shorter design period from the current global average of 14.5 months to 6–9 months to better align with national planning cycles;
- (b) More specific indications of the roles of, and expertise needed from, United Nations development system members to deliver on the agreements made with Governments through the Cooperation Framework;
- (c) A stronger link between the Cooperation Framework and entities' country programme documents;
- (d) Explicit recognition of regional and transboundary elements within the country analysis, such as Ebola and tax avoidance or the governance of shared rivers, thereby creating an opportunity to engage the expertise and capacities of regional United Nations entities in supporting the design and implementation of the Cooperation Framework;
- (e) Greater focus on the economic drivers of country-level development, among others, macroeconomic policies that reinforce the objective of leaving no one behind;
- (f) The identification of specific areas of priority, including supporting the design of fiscally sustainable social protection programmes, encouraging job growth and promoting technological innovations and policies that promote inclusive green growth.

52. The new United Nations Sustainable Development Cooperation Framework will allow for a robust dialogue between United Nations country teams and the host Government, facilitated by the resident coordinator, on whether the configuration of country teams remains responsive to national needs or if changes will be needed. In some cases, a different approach to physical presence may be sought, including the integration of offices or the strengthening of expertise available through non-resident agencies or of other capacities at the regional and global levels. The ultimate objective is to ensure that the implementation of the Cooperation Framework is supported by the full range of capacities within the United Nations development system, regardless of location, and that country teams are capacitated to deliver on their Cooperation Framework commitments. A more collaborative country team model, with membership defined by the Cooperation Framework, will drive the shift in focus from the overly heavy focus on individual results to the collective value added of the system.

53. It is clear that the successful implementation of the Cooperation Framework will also depend heavily on national ownership and leadership of system-wide activities. Enhanced United Nations country team responsiveness to national priorities, for example, will depend largely on clear guidance from the host Government on its priorities and gaps in the implementation of the Sustainable Development Goals and robust engagement by other national stakeholders in the preparation of Cooperation Frameworks. In addition, the ability of United Nations country teams to raise the resources necessary to implement the agreed Cooperation Frameworks will rely on active support by government counterparts to promote the importance of the role of the United Nations in supporting their development priorities.

Figure I
United Nations country team configuration process as part of the design of Cooperation Frameworks

United Nations country team configurations to remain responsive to countries



54. As mandated by the General Assembly, the United Nations Sustainable Development Group is also taking steps to strengthen the alignment between entity-specific country programme documents and the Cooperation Framework. As I stated in my previous report on the repositioning of the United Nations development system (A/72/684-E/2018/7), the individual programmes must derive directly from the Cooperation Framework, not the other way around. The Cooperation Framework can serve as the most important planning document of the United Nations development system only if it leverages the collective contributions of the system in support of a country. This is achieved by adequate sequencing of country programme documents and through the enhanced prerogatives of the resident coordinator.

55. The new guidelines are expected to result in a true change in the way that United Nations entities plan and programme their activities in a country. Entities should work in a coordinated and consultative manner from the outset, fully engage in the elaboration of the common country assessment and the Cooperation Framework, align their activities with the Framework and include their programme in the Cooperation Framework to the extent possible. In that respect, the role of the resident coordinator in leading the work and consultations with the host Government on defining the overall support and presence of the United Nations development system in the country, ensuring alignment with the Sustainable Development Goals, is clear. Ultimately, the United Nations development system will align its collective country-level strategy with the system-wide strategic document.

56. Ensuring that the Cooperation Framework is fully responsive to national priorities remains a key objective. Whole-of-government engagement and inclusive approaches will be critical; and clear signals and leadership from host Governments and Member States in the governing bodies of all entities of the United Nations development system will be vital to ensuring that the new Cooperation Frameworks deliver on the expectations of the General Assembly.

Strengthening the leadership, capacities and capabilities of the United Nations development system

57. In line with the 2030 Agenda, Member States have repeatedly called for entities of the United Nations development system to strengthen leadership, capacities, resources and skill sets. This implies building on comparative advantages and reducing gaps, overlaps and duplication, which are key objectives of the system-wide strategic document. Efforts, thus far, have been advanced in relation to three main pillars: coordination and standardization of learning tools; investment in leadership; and strengthening capacity, particularly in areas where there are gaps.

58. In relation to the standardization of tools, the United Nations Learning Advisory Council for the 2030 Agenda was established in December 2018. The Learning Advisory Council acts as the centre of gravity for system-wide thought leadership and an interdisciplinary body of expertise on contextual Sustainable Development Goal knowledge and learning in relation to key global and national development challenges. The Council, for which the Development Coordination Office serves as the secretariat, brings together 15 learning and training institutions across and beyond the United Nations system at the level of principals. An early output from the Learning Advisory Council is a primer on the Sustainable Development Goals, providing knowledge certification on the 2030 Agenda, which is expected to be rolled out in the second quarter of 2019.

59. A new leadership strategy for the resident coordinator system has been developed to advance transformational and collaborative leadership capacities. The strategy targets resident coordinators, officers at resident coordinator offices, country directors and senior United Nations leaders. The concept of “Leadership Labs” on the Sustainable Development Goals is also being developed. In 2018, pilot Leadership Labs were launched in Cambodia and Uganda to test and evaluate new interventions to boost the capacity of the resident coordinator system to improve multi-stakeholder engagement for the Sustainable Development Goals. The Development Coordination Office has also initiated leadership dialogues with resident coordinators and United Nations country teams on systems thinking, collaborative leadership and the application of foresight in the new Cooperation Framework process.

60. In terms of strengthening the capacity of the United Nations development system more broadly, specific efforts are being made in the critical areas outlined below.

61. *Integrated policy support.* Since June 2018, a United Nations Sustainable Development Group task team on integrated policy support has been working to devise tools and guidance for the system on providing integrated policy support to Member States to deliver on the Sustainable Development Goals; to review existing capacities in the system and develop an improvement plan to reach standards of excellence in key areas, such as inclusive economies, social protection and sustainable consumption and production; and to refine and synchronize the technical and analytical resources of the system, including refreshing the mainstreaming, acceleration and policy support approach.¹ We are also strengthening capacities on crucial transboundary issues, such as migration and climate change, and to ensure that we are responsive to specific national contexts, including those dealing with crises and specific vulnerabilities.

62. *Leaving no one behind.* A new operational guide for United Nations country teams on leaving no one behind was developed by the United Nations Sustainable Development Group to support resident coordinators and United Nations country

¹ <https://undg.org/document/maps-mainstreaming-acceleration-and-policy-support-for-the-2030-agenda/>.

teams in integrating the principle of leaving no one behind into their work. The guide builds on the UNDP Sustainable Development Goal mainstreaming, acceleration and policy support guidance and will be tested and aligned with the new redesigned Cooperation Framework before full roll-out. Another mechanism for supporting the core principle to leave no one behind is the deployment of human rights advisers to United Nations country teams, in partnership with the Office of the United Nations High Commissioner for Human Rights. There is a clear demand for such expertise and, in 2018, 20 human rights advisers were deployed to resident coordinator offices at the request of United Nations country teams and their national government counterparts, in comparison with six in 2017.

63. As a complement to those efforts, I have recently mandated the development of a new United Nations system-wide strategy on disability inclusion. The new strategy establishes a clear accountability framework against which all United Nations entities will be judged as we endeavour, collectively, to strengthen our capacities and performance in this too long neglected area.

64. *Gender equality.* In 2018, the United Nations adopted an updated version of its system-wide gender accountability framework, the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women, which was anchored within the context of the 2030 Agenda and the repositioning of the United Nations development system. The new accountability framework supports country teams to self-assess and report against a set of 15 performance indicators on gender equality and women's empowerment that are rooted in country team common processes. Twenty-three country teams have been trained to use a new gender equality "scorecard" and a global helpdesk provides on-demand support. A gender marker is also now included in country-level data and results reporting as part of the UN-INFO online planning, monitoring and reporting tool. In addition, the system-wide strategy on gender parity, launched in 2017, is aimed at achieving gender parity at senior levels by 2021 and across levels, system-wide, by 2028. An important milestone was reached when the United Nations achieved gender parity in the Senior Management Group (January 2018) and among resident coordinators (May 2018) for the first time in United Nations history.

65. *Data and statistics.* While country team members have specialized statistical expertise, they often lack the full range of resources to help national statistical and planning offices to monitor and report on the Goals. The United Nations Sustainable Development Group task team on country-focused data and reporting is working to facilitate coherent country team support to national statistical systems in order to localize, monitor and report on indicators, targets and goals. In 2018, the task team developed a Sustainable Development Goal monitoring and reporting toolkit for country teams² that provides immediate guidance and links to experts, as well as tools that help to monitor and display progress against the Goals at the country level.

66. *Sustainable Development Goal financing.* Understanding the need to close the gap in financing the Sustainable Development Goals, I launched a financing strategy in September 2018 to mobilize and galvanize support for finance and investment, both internationally and locally, to implement the 2030 Agenda. As a contribution, the United Nations development system will step up country-level efforts to provide greater support and technical assistance to Governments to create an enabling environment that can attract finance and investment. In that regard, the capacity of United Nations country teams is being strengthened through the introduction of an Economist position in each resident coordinator office, through toolkits to support the design of integrated national financing frameworks, through the establishment of a United Nations system network of economists, coordinated by the United Nations

² <https://unstats.un.org/sdgs/unct-toolkit/capacity-building-and-coordination/>.

Chief Economist, and through the strengthening of the United Nations partnerships ecosystem, which will be discussed in a later section of the present report (see chap. IV, sect. C).

C. Improving business operations

67. As Chief Administrative Officer, it is my responsibility to ensure the efficient and effective use of the Member State investment in United Nations activities. Equally, I am keenly aware of the funding challenges that the United Nations development system faces and, even more importantly, of the shortfalls in available finance to invest in the implementation of the Sustainable Development Goals. That is why, in my report of December 2017 (A/72/684-E/2018/7), I committed to a series of actions to realize efficiency gains at the country level that could be redeployed to development activities. In its resolution 72/279, the General Assembly requested that the United Nations development system achieve those gains.

68. Recent analysis by an independent management firm confirms that our initial estimate that hundreds of millions of dollars could potentially be saved through the implementation of common back offices and common premises at the country level remains valid.³ Less than one year after the adoption of resolution 72/279, I can confirm that, through the below actions and the determination of all United Nations entities, including those leading the way in the United Nations Sustainable Development Group Business Innovations Group,⁴ we are making steady progress.

69. First, we have accelerated efforts to ensure that entities of the United Nations development system increasingly operate according to the principle of mutual recognition. At the end of January 2019, 12 entities had signed a statement of mutual recognition,⁵ which allows an organization to apply another's policies, procedures and contracts without further control checks or approvals. The statement focuses on the areas of finance, human resources, procurement, logistics, information and communications technology and facility services. In 2019, the Business Innovations Group project team will focus on expanding the number of entities adhering to, and applying, mutual recognition and on how to operationalize mutual recognition through the design of country-level common back offices and a network of global shared service centres.

70. Second, over the course of 2018, the number of United Nations country teams that had common business operations strategies was doubled. While this is significant progress, the Business Innovations Group is currently developing revised guidance, which it expects to release in 2019, and will support the development of business operating strategies for the remaining 68 country teams by 2021.

³ \$310 million per annum in savings by 2022, conditional on specific parameters and premises, according to explanatory note No. 10 on efficiencies, which was shared with Member States in 2018.

⁴ Co-led by the Office of the United Nations High Commissioner for Refugees (UNHCR) and the World Food Programme (WFP), the Business Innovations Group operates within the framework of the United Nations Sustainable Development Group. A Business Innovations Group project team has been established with eight full-time project staff from the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF), UNHCR, WFP and one cost-shared staff member from the United Nations Population Fund (UNFPA).

⁵ Including the Secretary-General on behalf of the Secretariat and the executive heads of the International Telecommunication Union (ITU), the International Organization for Migration (IOM), the International Labour Organization (ILO), UNDP, UNFPA, UNHCR, UNICEF, the United Nations Office for Project Services, the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), WFP and the World Health Organization (WHO).

71. Third, we are working to advance common back offices for all country teams by 2022. In 2019, the United Nations Sustainable Development Group will develop a model for shifting more location-independent services to global shared service centres and consolidating location-dependent services in common back offices at the country level, all equipped with a governance structure to drive consistency and standardization in the process. The testing of proposed approaches is planned for the second half of 2019 and will inform the subsequent roll-out.

72. Fourth, the United Nations Sustainable Development Group is reviewing United Nations common premises, with a view to increasing the proportion of such premises to 50 per cent by 2021. In 2019, the Business Innovations Group will establish a common premises database and tracking tool. It will also establish a strategy and implementation guidelines for common premises to become the norm for lease renewals and new locations. Such changes in the approach to physical presence could generate significant savings,⁶ provided that the required initial investments are made, including through in-kind support from host Governments, to offset the costs of moving and discontinuing existing rental arrangements.

73. Fifth, the United Nations development system has increased its harmonization of banking and treasury services. More than 300 individual banking relationships governed by master banking agreements are now in place across countries and regions. In addition, 30 countries have established common local banking agreements.⁷ Overall, these agreements ensure a standardized fee structure, allow systematic improvement in service levels and provide uniformity and simplicity in legal documentation with United Nations privileges and immunities fully pre-negotiated and agreed.

74. Sixth, entities of the United Nations development system have further explored opportunities for global and regional shared service centres and collaborative procurement. The Business Innovations Group is currently establishing a defined marketplace for providers and purchasers to offer and compare services provisions that could be delivered through a network of global shared service centres. Five entities have opted for global shared services centres for non-location-dependent transactions.

75. In 2018, the High-level Committee on Management continued to enhance mutual recognition and harmonization of business practices under the umbrella of the United Nations Global Marketplace, the common procurement portal that brings together United Nations procurement staff, the vendor community and non-profit institutions. As of October 2018, 29 entities of the United Nations development system maintained a vendor roster on the Global Marketplace and 16 had carried out or planned enterprise resource planning and/or e-procurement integration. Between November 2013, when an enhanced version of the Global Marketplace was launched, and October 2018, the number of vendors on the Global Marketplace rose to over 176,000, a 474 per cent increase.

76. In recent years, collaborative procurement has showed its potential to generate efficiency gains: 12 of 29 entities have reported to their boards on savings from such gains. In addition, at the headquarters level, the 18 members of the Geneva-based Common Procurement Activities Group reported savings of \$37.7 million for 2016 and \$39.5 million for 2017, as a result of increased coordination and economies of

⁶ According to the explanatory note on efficiencies, the estimated potential savings from moving to common premises could exceed \$100 million by 2021, providing that certain conditions are met.

⁷ Based on information up to 30 January 2019.

scale.⁸ Such experiences need to be scaled up, expanded to other areas and, whenever relevant, transformed into the norm.

77. Finally, to reinforce these actions, the United Nations development system aims to bring about a significant culture change through the measurement of client satisfaction for all services. The Business Innovations Group is currently developing guidance for a common client satisfaction system for all business operations services that incorporates the use of case management tools, which includes the development of key performance indicators and qualitative feedback from external and internal United Nations partners and clients of United Nations entities.

78. The above-mentioned efforts are a starting point. I am fully aware that we need to do more to ensure that we can more precisely quantify the savings that these changes are delivering.

79. The system's size and complex, multi-faceted business operations represent a real challenge. It is important to note that current assessments identify many gains as organization-specific and largely non-cashable and non-transferable, with a mix of one-off and recurrent savings.

80. A key factor in quantifying such gains will be the use by the entities of the United Nations Sustainable Development Group of standardized measurement and reporting methodologies for financial and non-financial gains and detailed transactional analysis. We are now developing a tracking system to monitor efficiency gains, and will continue to report on our efforts in that regard consistently and transparently.

81. Non-financial gains will be clearly defined and reported as they impact the overall achievements rates. By 2021 each member of the United Nations Sustainable Development Group will report on specific efficiency measures to its respective governing body. This will complement the regular updates on system-wide efficiency efforts, which the Development Coordination Office will provide as a follow-up to the recently concluded funding dialogue.

82. Throughout these efforts, I remain committed to preserving the interests of staff, and notably of national staff who are at the forefront of our efforts to support Member States' development aspirations.

83. We must also ensure that efficiency gains enhance rather than diminish the quality of the support provided in order to adhere to the ultimate purpose of improving and consolidating business operations – to transform the United Nations development system so that it is fit to respond to the 2030 Agenda.

D. Multi-country office review

84. Universality and leaving no one behind are two core principles of the 2030 Agenda and the Sustainable Development Goals. Multi-country offices have enabled the global reach of United Nations operational activities for development for several decades.

⁸ The Geneva-based Common Procurement Activities Group includes 20 members: Gavi Alliance, Global Fund to Fight AIDS, Tuberculosis and Malaria, International Bureau of Education of the United Nations Educational, Scientific and Cultural Organization, International Committee of the Red Cross, ILO, IOM, ITU, International Trade Centre, Joint United Nations Programme on HIV/AIDS, UNICEF, UNDP, UNHCR, United Nations Institute for Training and Research, United Nations International Computing Centre, United Nations Office at Geneva, United Nations Office for Project Services, WHO, World Intellectual Property Organization, World Meteorological Organization and World Trade Organization.

85. For years, however, representatives from these countries and territories have bemoaned the inadequacy of the support that they receive from the United Nations development system through multi-country offices. To address these concerns and to improve the United Nations contribution to country progress towards achieving the 2030 Agenda, the General Assembly, in its resolution [72/279](#) on repositioning the United Nations development system, called for a review of the configuration, capacity, resource needs, role and development services of multi-country offices, in full consultation with the countries involved. That mandate reiterated a similar call in resolution [71/243](#) on the quadrennial comprehensive policy review, in which the General Assembly called upon the United Nations development system to consider, where possible and appropriate, limiting the number of countries under the coverage of each multi-country office.

86. In response, I have carried out a comprehensive review of the existing multi-country offices. The review was guided by the 2030 Agenda and other global and regional intergovernmental frameworks, especially those of critical importance for small island developing States.⁹ The SIDS Accelerated Modalities of Action (SAMOA) Pathway, in particular, has represented a key guiding instrument for the review, as it represents the latest global agreement that responds to the specific needs of 38 of the 41 countries and territories covered by multi-country offices.

87. The review has been an extensive and inclusive exercise, rooted in evidence-based analysis. All countries and territories covered by multi-country offices have been consulted, either in person and/or remotely by videoconference or teleconference, as well as through a survey directed at Governments. Fifteen countries and territories have been visited across the Pacific, the Caribbean and the Indian Ocean. All resident coordinators and United Nations country teams in the current arrangements have shared relevant data, experience and ideas. In addition, the review team interviewed a number of development partners on the ground, from donors to international financial institutions, civil society, academia and the private sector. The review also benefited from the support of a senior-level steering committee co-chaired by the Chair of the Alliance of Small Island States and the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, as well as a reference group of select resident coordinators and representatives of agencies, funds and programmes.

88. This review has allowed us to fully appreciate both the commonalities and the specificities across the countries serviced by multi-country offices. While the countries and territories covered by multi-country offices have made significant development progress over the decades, these hard-fought gains are threatened. Most of the countries and territories face entrenched sustainable development challenges, combined with endemic economic, social and environmental vulnerability. Climate change, recurrent natural disasters with gaps in disaster management systems and capabilities, rising rates of non-communicable diseases, gender-based and gang violence are reversing progress and remain high-priority concerns in small island developing States. Water and sanitation, terrestrial, coastal and marine degradation, waste management, sustainable energy and migration, as well as limited transport and

⁹ These include the Plan of Implementation of the World Summit on Sustainable Development, the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, the Paris Agreement on climate change and the Sendai Framework for Disaster Risk Reduction 2015–2030, as well as the Programme of Action for the Sustainable Development of Small Island Developing States, the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States and the SIDS Accelerated Modalities of Action (SAMOA) Pathway.

communications networks and infrastructure, are also critical issues. Remoteness and isolation, paired with poor logistical connectivity, exacerbate challenges for some.

89. While many of these represent common challenges, the countries and the regions covered by the existing multi-country offices also differ considerably across a range of issues from population size, economic advancement and progress on the Sustainable Development Goals, to national capacities, degree of remoteness and local needs and priorities. It is important not to paint all countries and territories with a broad brush and to ensure an effective custom-made presence, tailored development services and efficient delivery channels that can address the specificities of each country, in addition to their common regional and subregional agenda.

90. There is an urgent need for innovative and high-quality policy and technical support specific to small island developing States and for adequate, predictable concessional development finance to tackle the above-mentioned and other issues related to inclusive and equitable economic growth and debt sustainability, towards more resilient societies. Access to development finance is, however, an ever-constant struggle. This review confirms my conviction that it is necessary to move beyond country classifications based on per capita income towards classifications that take into full consideration the multidimensionality of poverty and the vulnerabilities that countries face.

91. Despite these challenges, and the increasing need for development support, notable differences exist in terms of United Nations presence. While multi-country office hubs, such as those in Fiji and Barbados, have a large presence of United Nations entities and staff, as well as of bilateral and other multilateral partners, several countries covered by multi-country offices host just a handful of entities and personnel and still others host none.

92. The findings of the multi-country office review reinforce the calls from small island developing States to do more and better support all countries covered by multi-country offices to advance the 2030 Agenda and meet the Sustainable Development Goals.

93. Below, I set out a number of key findings that are connected to these requests, as well as actions to address each finding:

(a) First, to respond to the unique needs of every country covered by a multi-country office, it is critical to develop a clear agreement between the Government and the United Nations development system through appropriate and relevant country-specific plans;

(i) I am requesting resident coordinators to develop specific country plans that are aligned with national development plans for each country covered by a multi-country office as a complement to the relevant regional strategies and frameworks, such as the United Nations Pacific Strategy and the Multi-Country Sustainable Development Framework for the Caribbean. Where country plans are already in place, the resident coordinator will engage with governments and the United Nations country team, as necessary, to strengthen the United Nations agreement to ensure that it adequately meets the needs of the country;

(ii) Effective immediately, I expect United Nations country teams to start operating with a dedicated country focus by convening regularly around country-specific issues, derived from national development plans, bringing together all relevant entities and staff, including through videoconference and teleconference;

(b) Second, ensuring strong and effective coordination capacities to respond to the needs of all countries covered by multi-country offices, in particular those that do not host the multi-country office hub, is vital;

(i) **The resident coordinator job description for multi-country offices will be specifically tailored to give clarity on the role and expectations of resident coordinators in a multi-country setting, and specific attention will be given to resident coordinator recruitment and induction to ensure the necessary leadership and skill sets to respond to the needs and priorities of all countries under the purview of the multi-country office;**

(ii) **Beyond the five core staff assigned to resident coordinator offices as standard practice under the new resident coordinator system, I have also requested the Development Coordination Office to present to me, by the third quarter of 2019, a clear costed plan for making additional professional staff available to countries covered by multi-country offices, based on country sustainable development needs and particular vulnerabilities and the number of countries covered by and the connectivity of the multi-country offices;**

(c) Third, no current provision exists to grant multi-country offices additional resources to cover the recurrent costs of coordination activities and travel associated with working across multiple countries;

Drawing from the resident coordinator system coordination fund, I will increase resources for the coordination activities of multi-country offices by allocating an additional \$25,000 per country or territory covered by a multi-country office resident coordinator, beyond the country in which the office is hosted;

(d) Fourth, the configuration of the United Nations development system within and across multi-country offices and United Nations country teams differs greatly and the countries covered by the multi-country offices are staffed with personnel who often have no or limited decision-making power, hampering their convening power, credibility and legitimacy vis-à-vis national authorities;

I have therefore asked the United Nations Sustainable Development Group to identify, by end of 2019, specific actions to ensure more coherent, effective and efficient coverage and collaboration for results vis-à-vis multi-country office settings, including potentially increased in-country physical presence, appropriate delegation of authority for decision-making to entity country personnel and better remote engagement using available technology;

(e) Fifth, reprofiling, restructuring and strengthening the policy and technical resources that exist at both the regional and the global levels are an essential, complementary backbone for a multi-country approach in which policy, technical and operational assets are dispersed, and must be enhanced. Policy resources and technical capacities also exist outside the United Nations, in particular in regional and subregional intergovernmental organizations, and are often not utilized as effectively as they could be to support country efforts;

(i) **I will therefore ensure that, as we operationalize the outcomes of the regional review, in particular the policy pillar of the proposed United Nations regional collaborative platforms, the existing knowledge resources and expertise relevant to the context of small island developing States are clearly mapped, urgently strengthened and organized to be easily and quickly available on demand. The regional directors of the Development Coordination Office will serve as connectors and facilitate and foster access to the other capacities and issue-based networks and coalitions at the**

regional or subregional level, in close consultation with Governments and resident coordinators. In addition, resident coordinators in subregional hubs, such as those in Fiji and Barbados, will be given distinct accountability and a clear mandate to be better partners and build stronger synergies with intergovernmental regional and subregional organizations for results on the ground;

(ii) I have also requested the Chief Economist, in collaboration with UNDP and the regional commissions, to engage directly with international financial institutions and partners to identify concrete solutions to the challenge of development finance, with a particular focus on small island developing States. I will also ensure dedicated funding rounds under the Joint Fund for the 2030 Agenda for Sustainable Development that are tailored to the issues that have an impact on small island developing States and their ability to achieve the Sustainable Development Goals and to advance the SAMOA Pathway;

(f) Sixth, at the global level, in line with the findings of the Joint Inspection Unit review of the United Nations system support for small island developing States (A/72/119), it is clear that more needs to be done to mainstream support for these countries, in particular in terms of strengthening the delivery of support from the Department of Economic and Social Affairs and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States;

I have requested the Department of Economic and Social Affairs to report back to me before the end of July, as part of its ongoing reform, on the measures it is taking to strengthen its substantive capacity in support of small island developing States. I have also asked the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States to present at the high-level review of progress on the SAMOA Pathway in September 2019 a clear and detailed road map to increase the capacities and reach of her Office in support of small island developing States;

(g) Seventh, it is clear that the ability of the multi-country office hub based in Fiji, which is supporting 10 countries, is greatly hampered by the limited presence of United Nations agencies and the particular remoteness of the countries in the North Pacific, exacerbated by the logistical challenges involved in reaching them;

(i) I have therefore decided to establish, in close consultation with the governments of the Micronesian region, a dedicated multi-country office in the North Pacific to address the needs and priorities of the countries in the North Pacific and support their efforts to advance the 2030 Agenda and the SAMOA Pathway;

(ii) I will also reassess the Joint Presence Offices in the Pacific to ensure an empowered and impartial coordination function in each country and will report on progress on this front at the high-level review of the SAMOA Pathway in September 2019;

(h) Eighth, countries in the Caribbean have been very clear that they need increased substantive support to tackle the issues that affect them the most, from climate change and natural disasters to increased access to finance for development. Specific country needs requiring unique expertise also remain to be addressed for several islands. Under the current organizational set-up of the multi-country offices in the region, each office generally covers no more than five countries. The one exception is the multi-country office in Barbados, which is aligned with the

subregional arrangement of Eastern Caribbean countries. Increased support for the Caribbean region should therefore consist in additional staff capacity for resident coordinator offices, possibly located outside the multi-country office hub, in or closer to the countries most in need, including by taking advantage of subregional logistical hubs. Some countries and territories may also be reassigned to other multi-country offices based on commonalities in terms of development needs and subregional alignment, in full consultation with the respective governments. Additional entity resources could possibly be deployed, and I expect the United Nations Sustainable Development Group to look carefully at the programmatic resources required in the region;

To identify the full range of available capacities in multi-country offices, I have asked the Development Coordination Office for detailed recommendations on the deployment of additional staff capacity in fully integrated resident coordinator offices in the Caribbean, located both in the hub and in select countries covered, on the basis of regional, subregional and country needs, capacities, connectivity and costs.

94. Finally, with a maximum of three countries covered, United Nations country team configuration and presence largely in line with development needs, and the additional resident coordinator office capacities to be deployed as part of the reinvigorated resident coordinator system, I believe the current arrangements for the multi-country offices based in El Salvador, in the Indian Ocean and in the South China Sea are fit for purpose, pending the mapping by the Development Coordination Office of possible additional resident coordinator office capacities and the actions to be identified by the entities of the United Nations Sustainable Development Group.

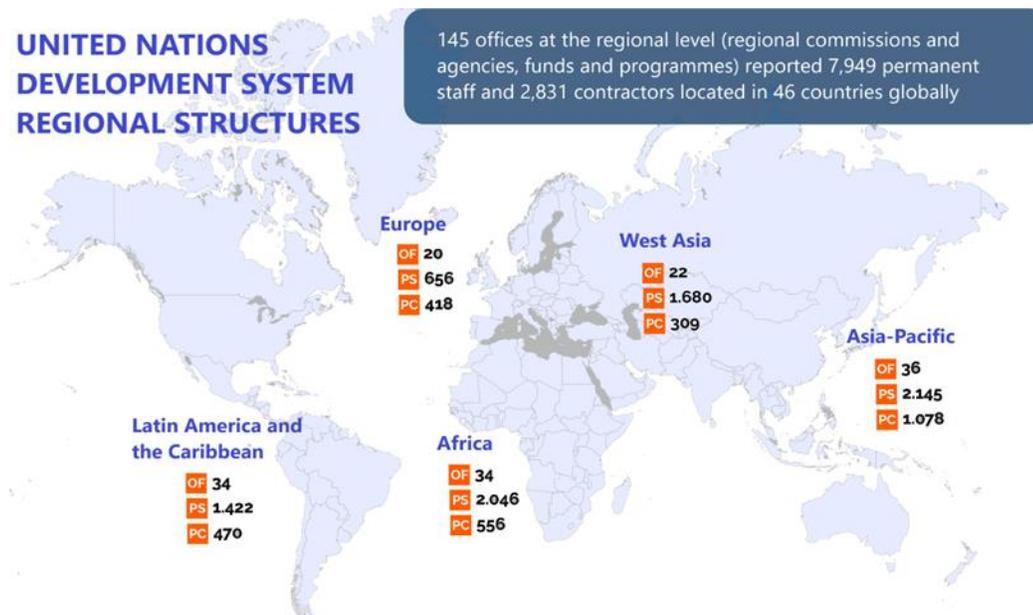
95. This long overdue review of multi-country offices, however, is not a one-time opportunity. I will report on progress in the implementation of my recommendations annually to the Economic and Social Council, I will personally ensure increased attention to the needs of small island developing States and I will continue to adjust the United Nations response on the ground on the basis of evolving needs.

III. Making the United Nations regional response fit for purpose

96. The delivery of strengthened results by a new generation of United Nations country teams very much depends on the support that the system receives at the regional level, where considerable capacities and expertise are available. This is especially true for multi-country offices, but not exclusively: if better deployed, United Nations regional assets can enhance country results across all United Nations activities on the ground.

97. According to the latest available data, the regional assets of the United Nations development system encompass approximately 7,900 permanent staff and 2,800 consultants, with an annual budget of almost \$1.6 billion across 24 entities. Most of these resources are allocated through agencies, funds and programmes, for a total of \$1.2 billion annually, with 5,671 personnel and approximately 1,500 contractors. The regional commissions, with a larger normative profile and a relatively smaller resource base, have a total reported budget of \$308 million a year, with 2,278 permanent staff and over 1,000 contractors. It is important to note that some of these United Nations regional resources are in fact outposted units of entities of the United Nations development system performing headquarters functions, such as procurement, human resources or other services, whose outputs are not visible at the regional level.

Figure II
United Nations development system regional offices, permanent staff and contractors across all regions



Abbreviations: OF, offices; PS, permanent staff; PC, professional contractors.

98. The regional assets of the United Nations need to be effectively and efficiently leveraged at the country level, so that country programmes are anchored in regional contexts, take into account relevant cross-border dimensions and benefit from the large expertise that sits in regional hubs. This will require, as I highlighted in my report of December 2017 on repositioning the United Nations development system (A/72/684-E/2018/7), revamping the way that the United Nations development system works and is organized at the regional level. Regional structures and mechanisms need to be transformed to offer both the platforms that are needed to tackle multi-country, transboundary and subregional and regional challenges and the integrated policy advice, normative support and technical capacity required to achieve the Sustainable Development Goals in countries.

99. Through General Assembly resolution 72/279, Member States endorsed the revamping of the regional architecture through a two-phased approach: optimizing existing structures; and undertaking a review to provide options, on a region-by-region basis, for longer-term reprofiling and restructuring.

A. Optimizing functions and collaboration at the regional level

100. The first phase of optimization of the current regional mechanisms and structures was initiated in the second half of 2018. A set of key actions was agreed to improve collaboration between different United Nations actors at the regional level, and their interface with the wider system at both the global and country levels. As a result, the 2016 statement of collaboration between the regional commissions and the regional teams of the United Nations Sustainable Development Group has been superseded by a series of updated, more robust arrangements for increased collaboration between the regional commissions, regional teams of the United Nations Sustainable Development Group, the United Nations country teams and the

resident coordinators, including in the context of the United Nations Sustainable Development Cooperation Framework.

101. The optimization phase culminated in nine specific deliverables:

(a) All United Nations Sustainable Development Group teams have put in place modalities to ensure more thorough and integrated analysis of regional and transboundary issues as part of the Cooperation Frameworks, through enhanced collaboration with the regional commissions. Some have already commenced support for the design of new common country analysis by United Nations country teams;

(b) Familiarization visits by resident coordinators to the regional commissions and key regional offices within six months of their appointment have been systematized;

(c) The regional commissions in all regions have been invited to join regional United Nations Sustainable Development Group peer review mechanisms that ensure technical support and quality control of key joint planning documents of United Nations country teams;

(d) Resident coordinators are now systematically invited to take an active role in regional conferences and platforms;

(e) A protocol for country engagement by regional commissions and other Secretariat or non-resident agencies has been devised, jointly with the Development Coordination Office, to ensure that resident coordinators are informed of all in-country development activities;

(f) Meetings of the regional coordination mechanisms and of the regional teams of the United Nations Sustainable Development Group are now held jointly or back-to-back in all regions;

(g) The Department of Economic and Social Affairs is increasing its participation in the regional coordination mechanisms to maximize policy capabilities on sustainable development and reinforce the global-regional-country vertical backbone;

(h) United Nations Sustainable Development Group members are increasing their participation in the regional forums on sustainable development under the auspices of the regional commissions;

(i) Mapping of publications and knowledge products is under way in all regions to identify appropriate knowledge products for joint publication and enhanced collaboration on regional knowledge products.

102. As an immediate result of those measures, we have witnessed early signs of the benefits from strengthened collaboration between the regional commissions and the regional teams of the United Nations Sustainable Development Group. This was visible, for example, in the regional forums on sustainable development held in 2019, with a level of engagement and contributions by the wider United Nations system that had not been seen to date. In addition, increased engagement among resident coordinators, United Nations country teams and the regional commissions, including through joint retreats and dedicated meetings with resident coordinators convened by the Executive Secretaries of the regional commissions in early 2019, have helped to enhance awareness of the assets available in the regions that could be leveraged by resident coordinators in support of implementation of United Nations Sustainable Development Cooperation Frameworks. Those measures have also helped to reduce the transactional costs of regional processes. For instance, back-to-back or joint meetings of the regional coordination mechanisms and the regional teams of the United Nations Sustainable Development Group have helped to reduce the logistical

and time-related costs of organizing and participating in such events. Moreover, more active participation by the resident coordinators and the entities of the United Nations development system in the regional platforms of the regional commissions, including the regional forums for sustainable development, is contributing to increased policy coherence.

103. It is clear, however, that a focus on optimizing existing structures alone will not deliver the transformative shift that is required at the regional level to deliver on the heightened demands of the 2030 Agenda. The regional review conducted over recent months provides the additional tools required for a deeper repositioning of regional assets through in-depth analysis and insights.

B. Restructuring United Nations regional assets in support of the 2030 Agenda

104. The regional review responds to the call by the General Assembly for options, on a region-by-region basis, for longer-term reprofiling and restructuring of the regional assets of the United Nations (resolution [72/279](#), para. 19 (b)). The review was carried out under the overall leadership of the Deputy Secretary-General, who acted on my behalf to ensure extensive consultations and evidence-based analysis. To ensure robust discussions on the way forward and strong ownership across the United Nations Sustainable Development Group, I established an internal review team with all regional commissions and different entities of the United Nations Sustainable Development Group, convened by my Special Adviser on Reform. In addition, the Deputy Secretary-General personally visited all regional hubs in early 2019 to participate in the regional forums on sustainable development and hold consultations with regional directors, resident coordinators and staff in each region.

105. To complement existing analytical work and the mapping of regional functions and capacities that was carried out in 2017, we engaged in an innovative partnership with a group of experts from different regions specialized in sustainable development and familiar with the different regional contexts, under the overall coordination of Cepei, a think tank based in Colombia and with strong track record on the 2030 Agenda. Following visits to all regions and interviews with some 400 stakeholders, Cepei delivered rigorous analysis and recommendations that helped to inform the work of the internal review team.

106. The overall outcome of the review is clear and consistent with previous analysis on the United Nations regional structures: there are invaluable United Nations assets and expertise at the regional level, which are essential to the achievement of the 2030 Agenda, but they are not currently deployed in an optimal manner. Several partners stated that the value added of the United Nations at the regional level rests largely on its convening power and its integrated multidimensional policy support for countries to deliver on the 2030 Agenda. Mindful of variations across different regions, the overall impact of the regional work of the United Nations is however hindered by the lack of a clear system-wide value proposition in each region; insufficient focus – and communication – on system-wide results; suboptimal mechanisms for coordination; unclear division of labour across entities and between the global, regional and country levels; and insufficient collaboration across United Nations entities and with external stakeholders.

107. The consultations held as part of the review confirmed the high expectations of Governments and external partners regarding a more impactful United Nations development system at the regional level. The available human assets and knowledge products could help to respond to increasing national demands for high-quality support on complex policy issues that require multilateral cooperation at the regional

level and transboundary challenges that will be critical to leaving no one behind on the road towards 2030. It is also at the regional level that a significant share of data on the Sustainable Development Goals is available; but the United Nations data ecosystem is insufficiently robust, lacks timely and real-time data and is made up of multiple data centres that coexist with limited coordination.

108. The consultations also revealed a shared feeling across countries and different stakeholders that the regional level has not received sufficient attention in recent decades, neither in tapping into its potential nor in previous efforts to enhance the coherence of the United Nations system. Some have described the regional level as “the forgotten level”. I am determined to change this reality and ensure that we deliver a more cohesive, impactful, transparent and efficient regional response.

109. Building on the work and recommendations of the internal review team, I have identified the following five key areas of transformation to guide the longer-term reprofiling and restructuring of the regional assets of the United Nations. These actions are mutually reinforcing and, further to agreement by the Economic and Social Council on the overall direction of travel, I stand ready to work with respective regional set-ups to develop region-specific implementation plans.

110. First, I intend to create a unified mechanism for coordination in each region – a United Nations regional collaborative platform – to foster collaboration on sustainable development across entities of the United Nations development system operating at the regional level. These platforms will absorb the different United Nations coordination mechanisms that currently exist, in particular the regional coordination mechanisms convened by the regional commissions and the regional teams of the United Nations Sustainable Development Group, which bring together agencies, funds and programmes at the regional level providing backstopping support to entity in-country operations.

111. To ensure coherent leadership at all levels, I will entrust the Deputy Secretary-General with the responsibility of chairing the high-level meetings of the regional collaborative platforms in all regions, as initially envisioned by the Economic and Social Council in its landmark resolution in 1998 on regional coordination.¹⁰ The Development Coordination Office will serve as the secretariat for the collaborative platforms in order to ensure consistent agenda-setting across the global, regional and country levels, with specific regional priorities being addressed in accordance with the demands of countries from the region and the outcomes of the respective regional forums on sustainable development and other regional intergovernmental processes. To maximize these interactions, I propose to hold back-to-back meetings between the regional collaborative platforms and the regional forums on sustainable development.

112. Across all regions, we will aim to organize the work of the regional collaborative platforms around two pillars: a Sustainable Development Goal policy pillar, focused on strengthening the system-wide policy ecosystem and multidimensional support for countries and developing a coherent regional data ecosystem; and an operational pillar, under which regional directors will continue to perform functions related to backstopping and oversight of United Nations country teams and agency-specific country programmes. Regional collaborative platforms will have a strong focus on partnerships with other regional actors, through flexible, time-bound “issues-based coalitions” with the United Nations, civil society

¹⁰ In its resolution 1998/46 (annex III, para. 13), the Economic and Social Council welcomed the efforts by the Secretary-General to improve coordination within the United Nations System, including his proposal of yearly meetings, to be chaired by the Deputy Secretary-General in each geographical area, among the relevant entities of the United Nations System engaged in regional and intercountry activities.

organizations, businesses and academia, to respond to specific cross-border or subregional issues.

113. Second, I plan to establish strong knowledge management hubs in each region, by pooling the policy expertise, by or across sectors, available through our almost 8,000 human assets today. The regional commissions and the Development Coordination Office will lead this effort, in close consultation with the regional teams of the United Nations Sustainable Development Group. This will allow countries – and United Nations country teams – to easily identify the expertise in each region in a unified system, making that expertise more easily accessible to respond to emerging national needs related to the 2030 Agenda. As part of that effort, we will also establish rosters of expertise to ensure that we can quickly deploy surge capacities on key policy issues to respond to specific national requests, which could include, for example, multidimensional visits to support the development of Cooperation Frameworks or national development plans, to address highly specialized policy issues – including in countries in special situations – or, for example, to help bridge United Nations country team expertise in transition country contexts.

114. Third, we will implement a series of initiatives to enhance transparency and results-based management at the regional level. This will require the strengthening of regional and subregional intergovernmental forums to further engage Member States and other stakeholders on region-specific issues that may require collective action, such as trade, fiscal policies, technology, migration and climate change. We will also report annually on system-wide results of the United Nations at the regional level in support of the 2030 Agenda, to be coordinated by the regional commissions with support from the Development Coordination Office to ensure that the full array of contributions of the United Nations development system are reflected. We will also work together to clarify the value proposition of the United Nations system in each region, with transparent information on funding allocation, results and the impact achieved.

115. Fourth, I propose to launch a region-by-region change management process that will seek to consolidate existing capacities with regard to data and statistics, as well as other relevant analytical functions that may be currently duplicative. This exercise will have to be unique to each region and will be detailed and fleshed out in full consultation with each regional commission and respective regional team of the United Nations Sustainable Development Group. Any related changes to existing structures or budgets will be submitted to United Nations legislative committees for endorsement by Member States prior to implementation.

116. Fifth, I am requesting the Deputy Secretary-General to work with entities of the United Nations development system to identify administrative services that could be provided more efficiently to regional offices through common back offices (such as human resources and procurement), similar to our efforts at the country level. Where feasible, co-location in common premises will also be sought.

117. Such efforts will be geared towards ensuring the provision of more effective support to the regions and greater focus on mandate delivery by respective United Nations entities, with reduced workload dedicated to administrative functions. Any savings emerging from the implementation of common back offices or the consolidation of policy assets outlined above will be redeployed to other priority areas to advance sustainable development in the same region.

118. I am aware that this is an ambitious transformational package, at a time when we are collectively engaged in the most comprehensive reform in the history of the United Nations development system. I firmly believe, however, that the ultimate impact of the reforms will not be maximized without the bold repositioning of our

regional assets. The 2030 Agenda requires no less. I am confident that, together – and in consultation with each region – we can take this forward.

IV. A strategic and coherent United Nations approach at the global level

119. I have previously noted that earlier reform efforts to strengthen the United Nations development system were hindered by the fact that changes on the ground were deeper and moved faster than the structures, incentives and policy tools at headquarters. This time, we have worked to advance reform at all levels simultaneously to allow the new generation of United Nations country teams – and their national counterparts – to benefit from an enabling environment across the system as they accelerate change towards the implementation of the 2030 Agenda. This better connects the work of the United Nations development system at the different levels. At the same time, it strengthens the managerial, strategic, operational and policy guidance and support that the global level can uniquely provide.

120. In this chapter, I provide an update on the progress made in five areas that featured prominently in my report of December 2017 ([A/72/684-E/2018/7](#)): advancing a coherent system-wide response to the 2030 Agenda; strengthening the United Nations Sustainable Development Group coordination mechanism; ensuring operational synergies across humanitarian, development and peace action; bolstering what the United Nations has to offer in relation to partnerships; and advancing the critical repositioning of the Department of Economic and Social Affairs. Across each of these areas, we have taken solid steps in the right direction, but I am keenly aware that we still have a distance left to travel.

A. Advancing a system-wide response to the 2030 Agenda

121. A first step towards transformation at the global level is to ensure a shared understanding of the collective offer of the United Nations development system, through the system-wide strategic document.

122. Mandated in resolution [71/243](#) and further guided by resolution [72/279](#), the system-wide strategic document is expected to identify concrete actions and realign available assets to improve our collective support for the implementation of the 2030 Agenda, addressing gaps and overlaps that remain as the system has transitioned from the era of the Millennium Development Goals to the era of the Sustainable Development Goals.

123. The development of the system-wide strategic document has been one of the most challenging aspects of the reform process – a reflection of the inherent difficulty of developing, collectively, an overarching proposition that cultivates complementarities, promotes synergies and draws on respective strengths from a system that is complex, diverse and responds to many different mandates, governing bodies and funding imperatives. In that sense, the process has been beneficial as it has created opportunities for extensive discussions – and a frank assessment – within the United Nations Sustainable Development Group of the steps required to accelerate its transition to the era of the 2030 Agenda.

124. After extensive efforts and detailed consideration of the different options, I believe we are close to achieving a shared vision on the system-wide strategic document, that responds to the mandate of the General Assembly. In the consultations undertaken, it has become clear that the expectations for the system-wide strategic document vary across the membership, and some Member States have voiced the view

that the system-wide strategic document should be informed by the upcoming deliberations by the Economic and Social Council on the multi-country office review and regional repositioning to ensure that due consideration is given to all information.

125. In that spirit, an annotated outline of the system-wide strategic document is being presented alongside the present report, on the basis of which Member States are encouraged to share comments and perspectives.

126. In its current form, the system-wide strategic document seeks to clearly establish the collective comparative advantages and collective identity of the United Nations development system in relation to the Sustainable Development Goals. It commits the United Nations development system to aligning respective development mandates in support of the 2030 Agenda and directs individual and collective efforts towards a higher quality response that is more demand-driven, open and focused on the Sustainable Development Goals; more integrated, across the Sustainable Development Goals and between the global, regional and country levels; more joined-up, cohesive and disciplined; and more transformative.

127. The annotated outline of the system-wide strategic document is also geared towards the operational. It presents various internal changes required by each entity and by the system to ensure that we can deliver on what the United Nations development system has to offer, notably in terms of skills and capacities, partnerships, data and knowledge generation, and new regional and country configurations. It further emphasizes the system's collective commitment to innovate and work more closely together to accelerate delivery and become ever more efficient. Finally, it summarizes the mechanisms used to hold the system accountable to this strategy, both externally through the funding compact and internally through the management and accountability framework.

128. In doing so, the annotated outline of the draft system-wide strategic document does not introduce new reform elements. Rather, it articulates the links between the various reform streams to demonstrate how each is designed to address specific gaps or manage overlaps and how they fit together to enhance the collective response of the United Nations development system to the requirements of the 2030 Agenda.

129. I am grateful for the engagement by Member States so far and request their continued support to finalize this critical piece of the reform architecture over the coming months.

Reinvigorating the United Nations Sustainable Development Group

130. The United Nations Sustainable Development Group plays a critical role in ensuring strategic direction, impartial oversight and accountability regarding the system's in-country contributions in the field of sustainable development. Its leadership is even more crucial at a time of major transformations in the United Nations development system, with a sustainable development agenda that requires a bigger lift from all.

131. In my report of December 2017 ([A/72/684-E/2018/7](#)), I elaborated on the changes that I made to the United Nations Sustainable Development Group to enhance its ability to support and provide oversight to United Nations country teams. In the intervening period, new working arrangements that emphasize collective leadership and solution-oriented collaboration have delivered important results. The principals of all entities have also assumed their full role as members of the Group, which is critical to the system's collective accountability for results.

132. Working under the Deputy Secretary-General in the role of Chair, the leadership of the United Nations development system has come together, to work as one, to step beyond single entity mandates and to ensure that it delivers shared results. Such

leadership has facilitated unprecedented progress on some critical elements of the reform – including the management and accountability framework, the realignment of planning tools, progress on the system-wide strategic document and the timely disbursement of cost-sharing contributions for the resident coordinator system – demonstrating what we can achieve together when we see coordination and collaboration as an opportunity, rather than a threat.

133. I am grateful to the Administrator of UNDP for his work and commitment as Vice-Chair of the United Nations Sustainable Development Group, with important responsibilities in ensuring the implementation of decisions by the Group and overseeing the day-to-day work of the strategic results groups. In that regard, I note that much of the important work highlighted in the present report has been advanced by the four strategic results groups on (a) Sustainable Development Goal implementation; (b) strategic financing; (c) business innovation; and (d) strategic partnerships.

134. I deeply appreciate the work of all the United Nations Sustainable Development Group leaders and their staff. Moving forward, I will reflect on how to further strengthen this foundational coordination mechanism, ensuring that the work of the Group is fully attuned with country-level realities and that working arrangements are best calibrated to respond rapidly and efficiently to the needs of the day. The structures and processes of the Group will also need to be reviewed to reflect the outcomes of the regional review. I will also ensure a mutually reinforcing relationship between the Group and other inter-agency mechanisms, in particular the policy work of the United Nations System Chief Executives Board for Coordination.

B. Strengthening the interlinkages between sustainable development, humanitarian action and peacebuilding: more integrated and contextual action

135. Implementing the Sustainable Development Goals universally is the most effective strategy to mitigate risks, prevent crises and build the resilience of communities and institutions. Conversely, the 2030 Agenda will not be achieved without effective and integrated responses in countries emerging from conflict or facing humanitarian emergencies and other crises. As stated repeatedly, a strengthened focus on the humanitarian-development nexus, including, as relevant, its linkages to peace, must not lead to a diversion of funds or shift in focus from development to other objectives. If that were to happen, we would be bound to fail in our primary objective of making the world more peaceful and prosperous. Ultimately, this is about laying foundations for and protecting sustainable development gains and preventing the loss of peace dividends whenever a crisis or shock hits.

136. The numbers are clear: after decades of decline, there are currently more conflicts globally than at any point in the past three decades. By 2030, an estimated 80 per cent of the world's extreme poor may be living in fragile or crisis-affected countries, where these various risks coexist. It is in this context that the General Assembly recognized, in its resolution [71/243](#) on the quadrennial comprehensive policy review, the need for the United Nations development system to ensure greater collaboration and complementarity between humanitarian, development and peace actions.

137. From the early days of my mandate, I have taken a series of measures to encourage those synergies and ensure more effective operational coordination on the ground between humanitarian, development and peace actors and in all sectors.

138. The establishment of the Joint Steering Committee to Advance Humanitarian and Development Collaboration in November 2017 is one such measure. The Joint Steering Committee is an integrated problem-solving mechanism providing high-level support to United Nations country leadership dealing with crises. Chaired by the Deputy Secretary-General, with the UNDP Administrator and the Emergency Relief Coordinator as Vice-Chairs, the work of the Joint Steering Committee is informed by political, security, human rights and climate action considerations with a focus on removing bottlenecks to achieving the Sustainable Development Goals in countries marked by humanitarian emergencies and other crises. In its early days of operation, the Joint Steering Committee has already demonstrated its value added in bringing to the fore key enablers and highlighting systemic barriers to the nexus and will continue to provide strategic guidance to the field.

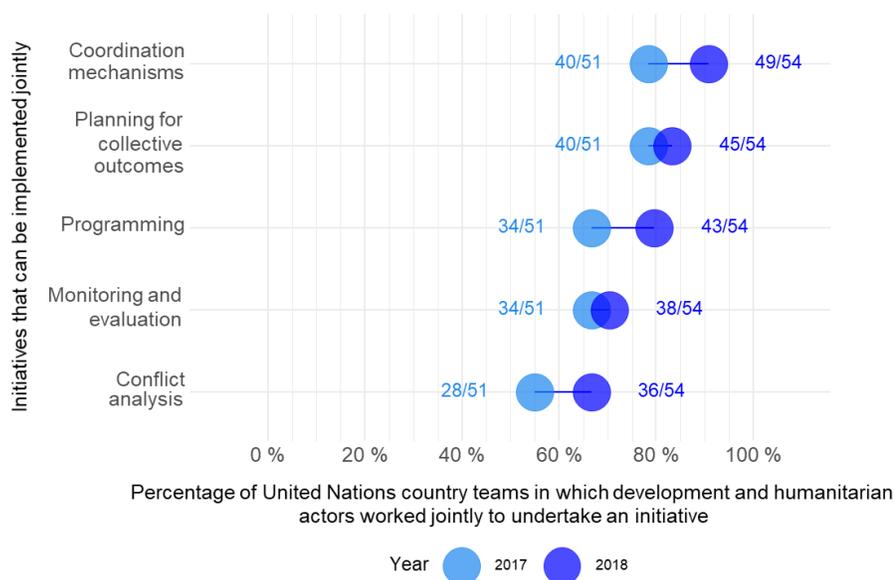
139. As part of my broader reform agenda, the Peacebuilding Support Office, which acts as a hinge between the peace and security pillar and the United Nations development system, is also undergoing a process of revitalization, as mandated in the resolutions on the review of the United Nations peacebuilding architecture. The Peacebuilding Fund, in particular, is a powerful tool to help advance integrated responses by United Nations country teams in countries in conflict and in post-conflict situations. Thanks to increased support from Member States, the Peacebuilding Fund has been used to step up investments in activities to accelerate transitions, to prevent relapse into crises and to promote youth empowerment and gender equality.

140. The Peacebuilding Fund will also increasingly support the deployment of specialized capacity to support the new generation of United Nations country teams, embedded in resident coordinator offices in crisis-affected countries, complementing other mechanisms, such as the Peace and Development Advisers supported by the Joint Programme on Building National Capacities for Conflict Prevention of the Department of Political and Peacebuilding Affairs and UNDP.

141. The United Nations system is also enhancing partnerships with external actors to respond to specific crisis situations. This includes, for example, targeted partnerships with the African Union, the European Commission, the World Bank and other international financial institutions to enhance support for recovery, transitions out of crises and peacebuilding, including through joint assessments. We are also stepping up our ability to partner with non-State actors, including to harness the assets that the private sector can deploy to responses in disaster risk reduction, emergency preparedness, response and recovery.

142. I am acutely aware that much remains to be done. Despite increased efforts in 2018 by United Nations country teams to improve joint planning and coordination with humanitarian country teams, figure III shows that we are still not investing sufficiently in joint analysis or joined-up programming, monitoring and evaluation at the country level.

Figure III



Source: Department of Economic and Social Affairs, 2019, based on official data for 2017 and 2018 from the Information Management System of the Development Coordination Office.

143. A number of concrete measures are now being taken to improve our effectiveness in these areas.

144. Recently, the Joint Steering Committee has sharpened its focus on a set of critical countries, embedding its work in existing strategies, frameworks and programmes and harvesting good practices and lessons learned. With a strengthened Development Coordination Office now in place, we will ensure full coherence between the work of existing task teams and working groups and the overall umbrella and strategic leadership of the Joint Steering Committee. A joint support team comprising UNDP, the Office for the Coordination of Humanitarian Affairs and the Development Coordination Office serves as a secretariat and technical arm for the Joint Steering Committee. The participation of the Development Coordination Office in the joint support team helps to ensure a more robust system-wide contribution by the development pillar. The Development Coordination Office will also participate fully in the transition working group and its specific task forces. We will also work to ensure greater awareness among country teams of the potential of the Peacebuilding Fund through stronger collaboration between the peace pillar and the Development Coordination Office.

145. In relevant country contexts, the links between the new United Nations Sustainable Development Cooperation Frameworks and instruments such as the humanitarian response plans and integrated strategic frameworks in mission settings will be reinforced, with a focus on preventing crisis, building resilience and mitigating risks to the achievement of the 2030 Agenda. It is clear that these different planning documents respond to different mandates and will not – and should not – be identical or lead to the same outcomes. It is also clear, however, that all United Nations planning documents in country need to be coherent and contribute to the same overall objectives of sustainable development and sustained peace.

146. As progress is made towards fully staffing the Development Coordination Office and the new resident coordinator offices, we will be better positioned to ensure that the resident coordinator offices can work closely with the United Nations country teams to ensure more robust cross-pillar collaboration and planning processes. The

simple fact that the entities now coordinating sustainable development, peace activities and humanitarian responses are all based in the Secretariat creates a more favourable environment, with harmonized operational tools and accountability lines, to take this work to the next level.

C. Partnerships for the 2030 Agenda

147. The ambition and breadth of the Sustainable Development Goals make them simply unattainable without robust partnerships. In my report of December 2017 ([A/72/684-E/2018/7](#)), I highlighted the need to address fragmentation in the United Nations system's approach and for the United Nations development system to scale up its partnerships. I also noted the need to better manage risks and ensure oversight in a manner that protects United Nations values, yet allows space for innovation and expanded and diverse partnership arrangements. To do so, I announced a series of work streams related to partnerships in which specific action has been taken over the past 18 months.

148. The first work stream has centred on strengthening the governance and performance of critical components of the United Nations development system partnership architecture. The partnership ecosystem of the United Nations, including the United Nations Sustainable Development Group, the United Nations Office for Partnerships, the Department of Economic and Social Affairs and the United Nations Global Compact, will thrive best if there are clear roles and responsibilities, as well as clear rules that allow various United Nations entities to engage partners to achieve the 2030 Agenda. This will ensure that the diversity of United Nations actors and partners is turned into an asset, rather than a source of confusion, and enable the United Nations to take a decentralized approach to developing and managing partnerships that respects existing partner relationships, while also having confidence that these are consistently aligned with core United Nations values, objectives, and purpose. Accordingly, I launched internal reviews of the United Nations Office for Partnerships and the United Nations Global Compact.

149. The review of the United Nations Office for Partnerships revealed the potential of the Office to serve as the Organization's global gateway for partnerships and also identified changes to bring greater clarity to its role. Moving forward, the Office will be firmly established as the Organization's global gateway – and not a gatekeeper – for partnerships and serve as a platform for more effective partner engagement of public and private sector stakeholders with the United Nations development system, including civil society organizations, businesses, philanthropic institutions, trade unions and academia. The core features of the Office include: (a) being a centre of excellence and repository for system-wide learning, as well as a responsive service centre for strategic partnership activity across the United Nations system; (b) facilitating partnerships with the wider United Nations system; and (c) supporting and leveraging the leadership, convening capacity and catalytic thinking of the Secretary-General and the Deputy Secretary-General in relation to the 2030 Agenda and the wider development priorities of the United Nations in order to spur impactful partnerships.

150. The review of the United Nations Global Compact demonstrated that the initiative provides the United Nations with a unique vehicle to facilitate transformative change in domestic economies aligned with the Addis Ababa Action Agenda through its extensive membership of private sector entities. The Global Compact is the largest corporate sustainability initiative in the world, whose core mission is to be a driver of responsible private sector engagement across the United Nations system and scaled-up business support for the Sustainable Development Goals. The review helped to clarify the primary roles of the Global Compact, which

include: (a) serving as an entry point for businesses that want to adhere to United Nations values and pursue the Sustainable Development Goals; (b) equipping companies, including small and medium-sized enterprises, to be “partner ready” for deeper engagement with the United Nations, protecting the United Nations brand, and offering opportunities to innovate, learn and engage to enhance the corporate impact on the Sustainable Development Goals; (c) better connecting United Nations country teams with the private sector, including small and medium-sized enterprises, at the national and local levels; (d) working with the United Nations Sustainable Development Group to develop and support an interoperable approach to vetting major private sector partners across the United Nations system, with appropriate connections to other mechanisms for due diligence and risk management handled elsewhere across the system; and (e) contributing to the efforts of United Nations development system entities, at all levels, to unlock private financing for the Sustainable Development Goals.

151. The United Nations Global Compact and the Development Coordination Office will develop a guidance note for enhanced collaboration between the Global Compact and resident coordinators/United Nations country teams, with a focus on strengthening Global Compact local network collaboration with resident coordinators and United Nations country teams to drive progress on the Sustainable Development Goals. The United Nations country teams will also be supported to ensure that they are able to access – and make available to national partners – the partnership capacities and tools scattered across the United Nations system.

152. The Department of Economic and Social Affairs has primary responsibility for: (a) supporting intergovernmental processes in the area of sustainable development, including supporting intergovernmental discussions about partnerships developed in those contexts or that relate to them, drawing on expertise and advice from across relevant parts of the United Nations system, and providing a platform for diverse stakeholders to engage in them, as appropriate; (b) convening, in collaboration with the United Nations Office for Partnerships and other United Nations development system entities, multi-stakeholder policy dialogue and knowledge-sharing on critical issues that are on the agenda of major intergovernmental processes; (c) supporting the development of policy guidance related to partnership alignment with intergovernmental mandates and processes; and (d) managing, housing and preparing data, analysis and related tools that support partnerships for the Sustainable Development Goals.

153. By the end of 2019, we will take steps to further elaborate these roles and responsibilities and the synergies across them. I will issue a Secretary-General’s bulletin to help Member States, stakeholders and staff across the Organization to identify how, as a system, the United Nations will support and enhance coordination, scale up partnerships and translate global collaboration into local impact.

154. A second work stream has been to strengthen the due diligence approach to partnerships. In the last several months, through the United Nations Sustainable Development Group, we developed a common approach to due diligence for private sector partnerships to guide resident coordinators and country teams on how to engage in joint partnerships with the private sector. A common legal template for multi-agency partnerships with the private sector is under preparation.

155. In addition, as part of our commitment to greater transparency around partnerships, the Department of Economic and Social Affairs has developed an online platform used to register and report on some 4,000 voluntary commitments and multi-stakeholder partnerships in support of the Sustainable Development Goals. A number of agencies also maintain functioning monitoring and reporting mechanisms that track the annual status and results of each partnership. These are all essential

planks in efforts to de-risk, inform and maximize the potential benefits of these relationships.

156. Third, we continue to develop and strengthen cooperation with key institutional partners in the global effort to advance the implementation of the Sustainable Development Goals.

157. In January 2018, in keeping with the enhanced and mutually reinforcing partnership between the United Nations and the African Union, I signed the African Union-United Nations Framework for the Implementation of Agenda 2063 and the 2030 Agenda for Sustainable Development at the thirtieth ordinary session of the Assembly of Heads of State and Government of the African Union. This followed the signing of the Joint United Nations-African Union Framework for Enhancing Partnership on Peace and Security in April 2017. Internally, we will ensure that these two agreements help to enhance the synergies, coherence and monitoring of the United Nations response in Africa, including through a revitalized interdepartmental task force on African affairs. In that context, efforts are also aimed at maximizing the impact of a trilateral agreement between the African Union, the United Nations and the European Union that addresses a range of issues related to sustainable development.

158. In May 2018, the United Nations and the World Bank Group signed the Strategic Partnership Framework for the 2030 Agenda, which demonstrates the joint commitment of the two institutions to collaborate on implementing and financing the 2030 Agenda, climate action, the humanitarian-development nexus and its linkages to peace and improving the collection, analysis and use of data for evidence-based decision-making. We are now working to further deepen the coordination and coherence of the engagement of the United Nations with the World Bank at the country level.

159. In addition, as part of the broad effort to strengthen key partnerships, a memorandum of understanding for strengthened partnerships with the Commonwealth Secretariat is currently under preparation.

160. Fourth, I am determined to reinvigorate our support and promotion of South-South and triangular cooperation, as called for by Member States most recently at the second High-level United Nations Conference on South-South Cooperation, held in Buenos Aires.

161. The United Nations development system is already leveraging innovative approaches available in the global South, including through communities of practices, virtual platforms for networking, centres of excellence and financing mechanisms, which offer dynamic complementary resources for international cooperation for development. A growing number of innovative partnership arrangements promote, finance and implement South-South cooperation activities. South-South trust funds, which increasingly finance interregional development initiatives focused on poverty eradication, the protection of migrants, food security and climate change, are leveraging the thematic expertise and operational capabilities of entities of the United Nations development system. In addition, knowledge products and action plans on South-South climate cooperation are being put in place, including to support the Climate Action Summit, which will be held in September 2019.

162. The second High-level United Nations Conference on South-South Cooperation provided a perfect reminder of the broader potential of South-South cooperation to support the realization of the Sustainable Development Goals in countries with limited capacities, as a complement to North-South cooperation. Important components will be to build developing countries' capacities to engage in South-South cooperation and seek potential cooperation and partners. I am convinced that additional knowledge and capacity must be embedded at the country level, through the resident coordinators and the United Nations country teams, to foster and build

capacities in countries to engage in South-South cooperation, as a complement to North-South cooperation. I will ensure that the United Nations development system steps up and accelerates the preparation of the system-wide South-South cooperation strategy, building on the provisions of the outcome document of the second High-level United Nations Conference on South-South Cooperation.

163. The establishment and full operationalization of the Technology Bank for the Least Developed Countries in 2018 was the first Sustainable Development Goal target to be achieved. To spur science, technology and innovation in the world's poorest countries, I am committed to ensuring the success of the Technology Bank and enabling concrete partnership efforts to strengthen the knowledge capacities and foster the development of national and regional innovation ecosystems. The efforts of the Technology Bank to attract relevant technology and spur the generation of homegrown research and innovation in developing local solutions towards achieving the Sustainable Development Goals will be prioritized.

D. A repositioned Department of Economic and Social Affairs

164. A revitalized Department of Economic and Social Affairs is critical to strengthening the interface of our normative, analytical and operational work at the regional and global levels. The United Nations development system needs a Department of Economic and Social Affairs that is a source of quality integrated intergovernmental support on economic, social and environmental matters; a global home for data and statistics relating to the 2030 Agenda; a strong support for mobilizing financing for the implementation of the Sustainable Development Goals; a collaborative member of the United Nations development system; and an efficient and independent source of knowledge and technical advice on sustainable development.

165. Pursuant to General Assembly resolution [70/299](#) and as part of the broader repositioning of the United Nations development system, I have advanced a phased approach to the reform of the Department of Economic and Social Affairs. I updated Member States on the progress made to date in my letter dated 28 December 2018.

166. Working closely with the leadership of the Department of Economic and Social Affairs, the first phase of the reform of the Department focused on immediate actions to align the internal work of the Department with the implementation of key development goals, including the 2030 Agenda, the Addis Ababa Action Agenda and the Paris Agreement on climate change, and the appointment of the new United Nations Chief Economist to strengthen the Organization's economic thought leadership. The internal reorganization will ensure that there is: (a) a single entry point to the high-level political forum on sustainable development; (b) a single coordinating point to oversee the provision of substantive support for the implementation of the Sustainable Development Goals and their thematic dimensions; (c) integration of functions to support the various tracks on financing for sustainable development; (d) dedicated analytical capacity overseen by the Chief Economist; and (e) better coordination and implementation of capacity development activities.

167. During phase two, an internal review team was established, co-chaired by my Special Adviser on Reform and the Under-Secretary-General for Economic and Social Affairs. Matching their findings with the broader vision for the United Nations development system, I identified the following additional and mutually reinforcing areas in which key measures could be taken immediately within existing mandates.

168. First, as an immediate step, the Chief Economist has established a network of economists from the United Nations system with a view to strengthening thought leadership, including in support of the resident coordinators and resident coordinator

offices and to establish greater coherence and support to the countries in terms of analytical and research work required for effective policymaking.

169. Second, to ensure that the support provided by the Department of Economic and Social Affairs for intergovernmental processes draws on the expertise and experience of the wider United Nations development system, a dedicated United Nations system task team was established with an initial focus on the substantive preparations for the high-level political forum on sustainable development, to be held in September. Co-chaired by the Department of Economic and Social Affairs and UNDP, the task team has produced an overarching narrative for the summits and high-level meetings on sustainable development that will take place during the seventy-fourth session of the General Assembly, as an input to Member State preparations, and is working to produce a strong United Nations development system analysis of the Sustainable Development Goal implementation efforts thus far.

170. Third, I have requested the Department of Economic and Social Affairs to further strengthen its statistical capacities, including to fully leverage technology and big data for better decision-making. The Department is launching new initiatives with the Economic Commission for Latin America and the Caribbean and the United Nations Children's Fund (UNICEF) with the aim of ensuring coherent support from the United Nations development system for country data and statistical development for the implementation and review of progress on the Sustainable Development Goals and to promote evidence-based policymaking and budgeting.

171. Fourth, to maximize synergies, I have requested the Department of Economic and Social Affairs to fully integrate its work on financing for sustainable development into the broader work of the United Nations Sustainable Development Group. The Department is now working closely with the Development Coordination Office and other United Nations Sustainable Development Group members in the development of common toolkits to support the design of integrated national financing frameworks. Other entities, including UNDP, the United Nations Capital Development Fund and the Global Compact are also devising related products, which are all being coordinated to ensure that they are complementary.

172. Fifth, as part of the broader effort to strengthen the connection between the Department of Economic and Social Affairs and United Nations country teams, a more structured engagement channel to feed normative and analytical work to resident coordinators and United Nations country teams is under preparation. This will help to bring the United Nations country teams closer to the intergovernmental work and ensure that they support the preparation and follow-up of intergovernmental guidance, as well as ensure that global knowledge products and resources reach United Nations country teams for relevant application at the country level. The new and systematic engagement of the Department of Economic and Social Affairs at the regional level as part of the regional review is also important as we strive to build integrated policy capacity that can be easily tapped into and deployed in support of country needs.

173. A final area requiring immediate action is that of strengthening the strategies and mechanisms of the Department of Economic and Social Affairs to enhance external communications and strategic partnerships. Changes in this area will serve to enhance transparency, knowledge management and strategic messaging around the Department's key analytical products, ensuring that they have a broader reach and are fully attuned to the needs of Governments and other partners.

174. The enhanced synergies between the country, regional and global dimensions required for country results need a strong Department of Economic and Social Affairs. Steps have been taken, but much remains to be done.

175. I have asked the leadership of the Department of Economic and Social Affairs to continue consultations with Member States to share information on these and other steps that are being taken and to listen to the views and proposals for further strengthening the measures in place. Member States will be briefed by midyear on further measures being taken to strengthen the Department, such as proposed revisions to the programme planning and structure of the Department for 2020, including in terms of optimizing reporting lines and structures. The reorganization will be reflected in the proposed programme budget for 2020 to be considered by the General Assembly at its seventy-third session. I have also requested the Department to prepare an information note outlining the measures taken to date and additional measures needed to strengthen the Department. The information note will be available at the time of the presentation of the budget fascicle for the Department.

E. Other relevant reform efforts

176. Beyond the major elements outlined above, a range of other change processes are under way in the United Nations development system. These changes reinforce the direction of the overall reform as outlined in resolution [72/279](#). Several entities are leading their own internal repositioning exercises as exemplified by recent changes in three entities with very distinct roles within the United Nations Sustainable Development Group: the United Nations Human Settlements Programme (UN-Habitat), UNDP and the World Health Organization (WHO).

177. UNDP is now well advanced in its own reform process, which aims to reassert its role as a sustainable development thought leader and major operational entity to lead the work on eradicating multidimensional poverty and leverage its new role in the repositioned United Nations development system, leading on the ground as an integrator platform for achieving the Sustainable Development Goals. UN-Habitat is undergoing a deep reform, including of its governance, as mandated in General Assembly resolution [73/239](#). As part of the process, it has defined new strategic directions for the organization – as reflected in the UN-Habitat draft strategic plan for 2020–2025 – and is now undergoing an internal change process that will unfold until the end of 2019. The process aims to realign the organization with the expectations of Member States in achieving the urban dimensions of the Sustainable Development Goals, the implementation of the New Urban Agenda and other global agendas, while also ensuring alignment with reforms of the United Nations development system. The World Health Organization recently approved far-reaching reforms that will align its processes and structures with the “triple billion” targets of the WHO five-year strategic plan and the Sustainable Development Goals. A new structure and operating model have been adopted to align the work of headquarters, regional offices and country offices with a view to eliminating duplication and fragmentation.

178. Other recent initiatives that capture this spirit of transformation include the launch of the United Nations Youth Strategy and the United Nations Network on Migration, established in the context of the adoption of the Global Compact for Safe, Orderly and Regular Migration, and my strategies on climate change and for financing the 2030 Agenda, championing and providing leadership, high-level advocacy and support to the work of the United Nations development system on these important agendas. All capture the need for collaborative action by the United Nations development system on issues that go to the core of the challenges and opportunities that we face in implementing the Sustainable Development Goals.

179. Achieving the 2030 Agenda means that all levels of the United Nations development system must coordinate and mutually support each other. We can no longer ignore the gaps and disconnects between the global, regional and country levels that burden the system. Furthermore, we can no longer allow major global

assets to go untapped owing to lack of coordination, communication and an innovative, entrepreneurial spirit. That spirit must permeate the Organization if we are to achieve the Sustainable Development Goals.

180. Significant changes are afoot at the global level, but it is clear that the transformation that I am seeking at the global level calls for change at a faster pace. I am determined that we will see greater progress in this area over the coming year.

V. Oversight and accountability for system-wide results

181. The 2030 Agenda underscores the important contribution that the United Nations development system can make to the implementation of the Sustainable Development Goals and the role that Member States play in overseeing the coherence, effectiveness and efficiency of that contribution.

182. Since 2015, Member States have stepped up their engagement, not least via the quadrennial comprehensive policy review and the extensive process in both the Economic and Social Council and the General Assembly that led to the resolution on the repositioning of the United Nations development system (resolution [72/279](#)). General Assembly resolution [72/305](#) was another important milestone as it reinforced the role of the Economic and Social Council as the central mechanism for coordination of the activities of the United Nations development system and strengthened its leadership and policy guidance functions. The governing bodies have also worked to ensure a transformational shift in the approach of individual entities, in line with resolution [72/279](#). Below I share some reflections on how Member States can further strengthen their guidance and oversight of the United Nations development system.

183. To support Member States in this role, I committed in 2017 to improve the transparency, accountability and reporting of the United Nations development system to Member States. Improved and transparent reporting on the system's activities, as well as independent system-wide evaluation, are critical in that regard. Below I set out the changes made in line with the calls made by the General Assembly in resolution [72/279](#), as well as our next steps.

184. The United Nations development system needs to demonstrate results to the Governments and the people we serve across the world. I count on Member States to continue to support our efforts in this area with the same leadership demonstrated to date.

A. Transforming the operational activities segment of the Economic and Social Council into an accountability platform

185. The General Assembly, the Economic and Social Council and the governing bodies of agencies, funds and programmes, constitute a three-tiered interlinked intergovernmental policymaking and oversight mechanism for the United Nations development system. It is critical to improve their performance in their respective functions so that they can advance the changes requested by Member States in the operations of the United Nations development system.

186. The General Assembly is the most universal intergovernmental mechanism for the formulation and appraisal of policy matters. The General Assembly is the platform for developing overall policy guidance for the United Nations development system on its support for the implementation of the 2030 Agenda and on its working methods. It has done this through the resolution on the quadrennial comprehensive policy review and, more recently, the resolution on the repositioning of the United Nations

development system, which are geared towards the same objectives of better results for the people.

187. The Economic and Social Council serves as the platform to ensure oversight and accountability for system-wide performance and results in relation to the 2030 Agenda. It serves to systematically review the implementation by the United Nations development system of the directives of the General Assembly and to provide more hands-on guidance. Such guidance is critical for governing bodies. The Council should provide clear and precise feedback to governing bodies. These, in turn, should regularly report back to the Council so that practice informs policymaking, in a feedback loop that strengthens coordination and oversight.

188. Given this division of labour and the emphasis the General Assembly has placed on enhancing complementarity and avoiding overlap and duplication in the work of the Assembly and the Economic and Social Council, it may be preferable for the Assembly to adopt resolutions on the United Nations development system only when it conducts the quadrennial comprehensive policy review. The Council, on the other hand, would adopt resolutions on the implementation of the General Assembly guidance only in the years when there is no quadrennial comprehensive policy review. This recommendation is made in full recognition of the fact that Member States retain the prerogative to adopt resolutions at any point that they deem necessary in either forum.

189. The next cycle of the quadrennial comprehensive policy review, to be discussed and agreed in 2020, offers the opportunity to reflect on how to improve the effectiveness and impact of the segment on operational activities for development. Establishing a multi-year programme of work for the operational activities segment, as has been done in other forums of the Economic and Social Council, could provide more focused deliberation and guidance on specific aspects of the implementation of the quadrennial review. Annual reviews, focused on specific dimensions of and challenges in operational activities for development, would allow for more in-depth analysis and deliberations where issues may demand it. This would also give Member States the opportunity to provide clarity and interim guidance on specific topics.

190. In addition, in line with resolution [71/243](#), Member States could consider requesting all governing bodies of the United Nations development system to report to the Economic and Social Council on the decisions and steps that they have taken to implement the resolutions on the quadrennial comprehensive policy review and on the repositioning of the United Nations development system. This reporting would enable improved monitoring of overall system-wide progress and serve as the backbone of the dialogue during the executive heads' session during the operational activities segment.

B. Strengthening executive guidance and oversight of agencies, funds and programmes

191. The role of the executive boards of agencies, funds and programmes remains more than ever a critical element in the governance of operational activities for development. Governing bodies hold the key to accelerate efforts in support of the 2030 Agenda and to unlock the transformation of agencies, funds and programmes, towards an integrated, effective and efficient whole-of-system response.

192. I had proposed to gradually merge the New York-based executive boards of the funds and programmes to facilitate the move towards more coherent guidance and collective results. While this did not materialize, I commend these and all other governing bodies of agencies, funds and programmes for driving a shared approach

on improving their working methods and, most importantly, in support of the repositioning of the United Nations development system, including by homogeneously ensuring that entities align with the provisions of General Assembly resolution [72/279](#).

193. I applaud the swift action taken by all governing bodies to approve the doubling of the cost-sharing agreement in support of the reinvigorated resident coordinator system. Such prompt and unanimous action allowed us to ensure an important part of the necessary resources for a smooth transition to the new system on 1 January 2019 and for implementing a number of critical steps in the first quarter of the year.

194. I am also grateful for the clear directions given and decisions taken at the 2018 annual sessions of the different governing boards for the full implementation of both the 2016 quadrennial review and the resolution on the repositioning of the United Nations development system. I am particularly grateful to the Executive Board of UNDP for so clearly ensuring full support for a smooth transition of the resident coordinator system and to other boards for having adopted common chapters in their respective strategic plans containing guidance common to a number of United Nations entities.

195. I am also encouraged by the practical changes to further enhance the working methods of the boards and their joint meetings to enhance system-wide coherence and efficiency, reduce duplication and build synergy across governing bodies of the United Nations development system.

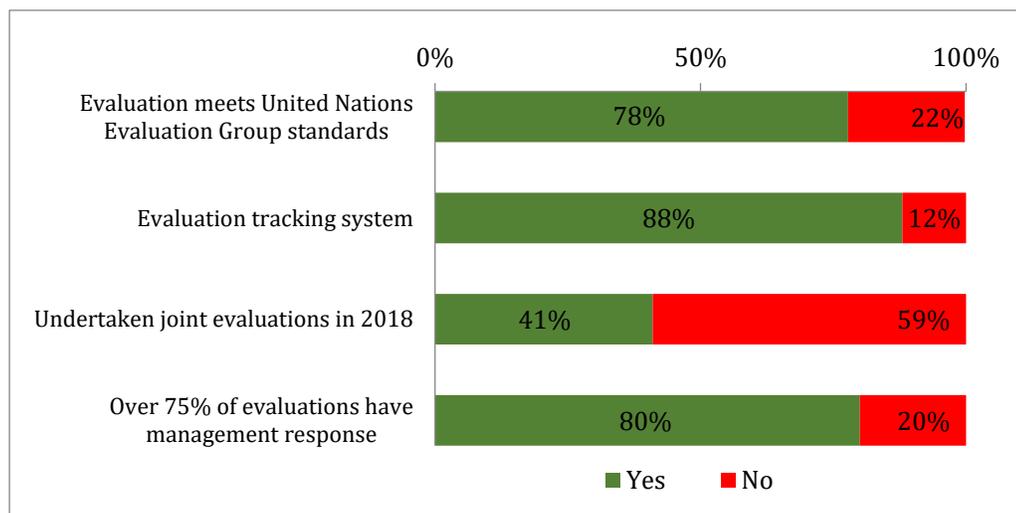
196. I encourage Member States to translate into reality discussions and proposals for stronger links between issues discussed at the respective board meetings, increased focus on joint programming, coordination and coherence, more joint informal briefings on strategic cross-cutting and system-wide issues, increased transparency of deliberations and engagement of non-governmental stakeholders. These are all important steps towards efficiency, effectiveness and overall quality of governance structures and should be put in place.

C. Improving system-wide evaluation and reporting

197. The 2016 quadrennial review underscores the importance of strengthened high-quality, independent, impartial system-wide evaluation mechanisms. In my previous report on repositioning the United Nations development system ([A/72/684-E/2018/7](#)), I reiterated the critical role of independent system-wide evaluation to strengthen oversight, transparency and accountability, as well as joint work and collective learning, to enhance the contributions of the United Nations development system to the advancement of the 2030 Agenda.

198. Overall, there has been considerable success in establishing an evaluation culture within entities of the United Nations development system, but there has been much less progress with joint evaluations. Of the evaluation units across the United Nations development system, 78 per cent meet United Nations Evaluation Group standards for independence; 88 per cent of entities have evaluation tracking systems that include the status of evaluations and management responses; but only 41 per cent carried out joint evaluations in 2018. In total, 80 per cent confirmed that 76 to 100 per cent of their evaluations had a management response (see figure IV).

Figure IV
United Nations development system entity evaluations in 2018



Source: Department of Economic and Social Affairs, survey of entity headquarters.

199. The momentum for increasing the quantity and quality of system-wide evaluation has received added impetus over the course of the funding dialogue and the preparation of the resulting funding compact contained in an addendum to the present report. Commitments related to transparency, joint work and country-level results feature prominently throughout the compact,¹¹ with system-wide evaluation positioned as a core instrument to realize all three objectives.

200. In line with calls in the quadrennial review and the funding compact's approach, I have coordinated the design of a new independent system-wide evaluation strategy. The strategy contains various elements. It provides for a revision of the independent system-wide evaluation policy, last developed in 2013, to place a stronger focus on the 2030 Agenda, align with relevant aspects of the reforms of the United Nations development system, incorporate the lessons learned from the two pilot system-wide evaluations conducted, and reflect the relevant commitments from the funding compact.

201. The revised policy clarifies roles and responsibilities across the system for system-wide evaluation and proposes ways to strengthen engagement with governing and legislative bodies to ensure that system-wide evaluation findings better inform decision-making and policymaking. In that regard, building on my initial proposal for a small system-wide evaluation unit, the strategy identifies options for a new mechanism that would further mobilize evaluation capacities and resources across the system to enhance the number, quality, accessibility and use of system-wide evaluations in support of the Sustainable Development Goals.

202. The strategy commits the United Nations development system to specific system-wide evaluations, with timelines, in line with the commitments made in the funding compact and to be aligned with the system-wide strategic document. It establishes a set of actions designed to immediately improve the quality of evaluations

¹¹ See the indicators under commitments 2, 8 and 9 of the United Nations Sustainable Development Group to increase collaboration on joint and independent system-wide evaluation products, to improve the quality and utility of United Nations Development Assistance Framework/Cooperation Framework evaluations and to increase the accessibility of corporate evaluations and internal audit reports.

of the United Nations Sustainable Development Cooperation Frameworks, starting with interim guidance, which has now been developed to support upcoming evaluations, a series of pilot evaluations and the finalization of comprehensive guidelines in early 2020. Finally, it proposes a dedicated funding mechanism that could pool resources to support initiatives related to system-wide evaluations and other system-wide oversight upgrades.

203. In addition to informative, independent system-wide evaluations, regular reporting and transparency on results remains critical to allow Member States to provide effective guidance. In fact, an additional important commitment reflected in the funding compact is to improve reporting on results to host Governments, including through the full roll-out of UN-INFO by 2021.

204. UN-INFO is an online tool that provides a clear system-wide overview of how the United Nations development system in each country is targeting resources towards national priorities, thematic sectors (including cross-cutting gender, human rights and humanitarian markers) and the Sustainable Development Goals. Its roll-out will allow easy access to disaggregated information and enable the generation of standardized reports that will double as organization tools for the United Nations system and communications products to be shared with external partners. This is another important step towards transparency and accountability.

205. The introduction and improvement of capabilities to generate, retain, use and share knowledge, and move towards a system-wide open data collaborative approach for a common and accessible knowledge base, must remain a priority. To date, findings show that knowledge management remains a challenge, with few common practices implemented on a system-wide basis. In a recent report ([A/72/325](#)), the Joint Inspection Unit observed that although there is extensive knowledge management experience in the United Nations system, it tends to be confined within individual organizations and even within different parts of a single organization. Among the recommendations of the Joint Inspection Unit is a proposal that the United Nations System Chief Executives Board for Coordination be used to share relevant experiences across entities with a view to gradually developing a common, system-wide knowledge management culture. We will take these and other Joint Inspection Unit recommendations forward.

206. With one third of the journey to 2030 complete, it is apparent that we must step up our collective commitment to each other and future generations. The 2030 Agenda demands deeper accountability, more transparency and stronger oversight. There is an imperative to ensure that the United Nations development system is firmly grounded in results, with a governance architecture that emphasizes leadership, accountability, collaboration and efficiency. We have made gradual but tangible progress on this front in recent years and will continue to do so. A culture of results-based management and evaluation is steadily maturing. Institutionalizing system-wide evaluation and strengthening system-wide knowledge management will further enable this shift as Member States cannot perform their oversight role without regular reporting and transparency on results, and the United Nations development system cannot operate without the guidance of Member States based on those results.

VI. Funding the United Nations development system

207. Next year will mark the 10-year countdown for the Sustainable Development Goals. Despite significant efforts to date, we are not on track, and many significant hurdles stand in the way of achieving the Goals. We need to take bold steps to address the challenges holding back progress. One of the most significant challenges is funding. The funding to the United Nations development system is modest relative to

the trillions of dollars required to implement the Goals, but it makes a big difference for many countries that benefit from the support of the United Nations development system.¹²

208. Funding for operational activities for development in 2017 totalled \$33.6 billion, which represents an increase of 12.6 per cent compared with 2016. This growth was attributable primarily to an increase in non-core funding resulting in a continuation of a trend that has prevailed for over two decades: growth in the quantity of funding to the United Nations development system, but with a corresponding decline in quality. Only about one fifth of funding in 2017 was in the form of core resources, the lowest core-share ever. The United Nations development system heavily relies on just a few donors for a large portion of its funding. This makes the system vulnerable to policy shifts that may occur among the larger contributor countries.

209. The indivisible and interconnected nature of the Sustainable Development Goals has reinforced the imperative for more flexible and predictable funding. While this involves bringing a better balance between core and non-core funding, it also underscores the need to enhance “core-like” resources, such as contributions to inter-agency pooled funds. Inter-agency pooled funds help strengthen coordination and collaboration across entities of the United Nations development system. They can also counteract some of the negative effects of strictly earmarked non-core contributions. Funding for inter-agency pooled funds has increased over the past two years, however currently such funding comprises only 7.5 per cent of all non-core funding.

210. In 2017, I proposed a funding compact between Member States and the United Nations development system to improve the predictability, flexibility and overall quality of funding and to address the imbalance between core and non-core resources. As part of the compact, the United Nations development system would accelerate efforts towards greater transparency and accountability on how it uses resources entrusted by Member States. I also called for a funding dialogue to operationalize the compact, which Member States welcomed in General Assembly resolution [72/279](#).

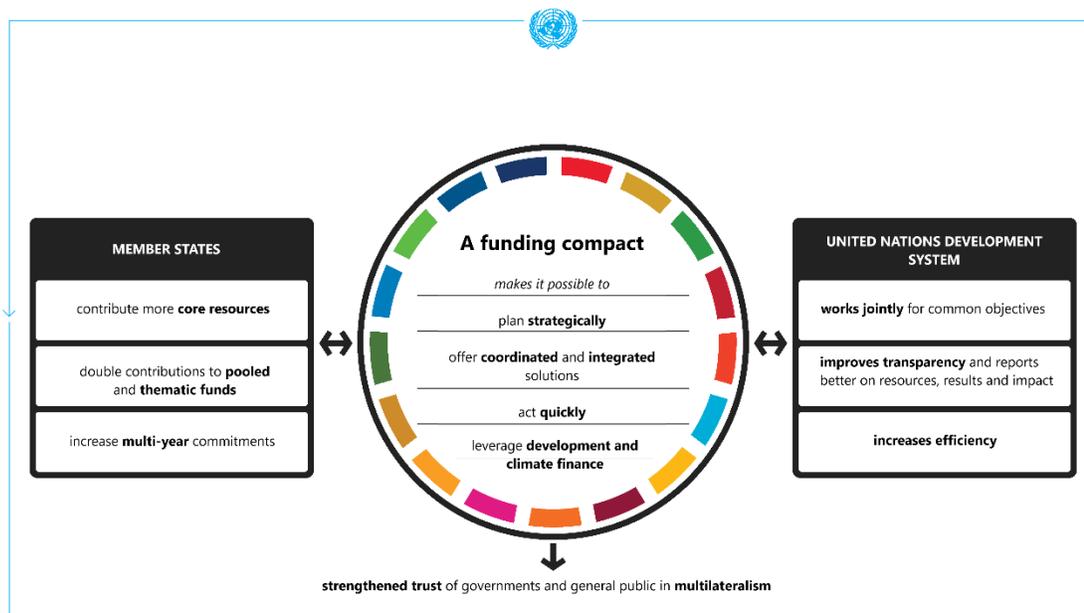
211. The funding dialogue officially began with a General Assembly high-level plenary session convened by the Deputy Secretary-General on 31 July 2018. Three high-level plenary sessions then followed, supported by a technical track led by the transition team and a small group of Member States and four United Nations Sustainable Development Group entities. The meetings of the technical track focused on translating the objectives of the compact into commitments, targets and indicators and a road map for implementation.

212. The full text of the funding compact outlines specific steps that Member States and the United Nations need to take for the system to be fit to address development challenges ([A/74/73/Add.1-E/2019/14/Add.1](#)).

213. The compact consists of eight commitments by Member States and 14 commitments by the United Nations Sustainable Development Group. These 22 commitments will be monitored using 50 indicators and targets. The commitments are ambitious, mutually reinforcing and will require a significant shift in the way that the United Nations development system operates and the way that Member States fund the system.

¹² See [A/74/73/Add.2-E/2019/14/Add.2](#) for a full overview of the latest statistics on the funding of operational activities for development.

Figure V
Why a funding compact?



214. The United Nations development system commits to working towards joint results in an increasingly collaborative manner, pursuing common objectives and operating more efficiently. To solidify trust with Member States, the entities of the United Nations development system pledge to provide more clarity on results achieved with the resources entrusted to them through more transparent, consistent reporting, better system-wide and joint evaluations and more accessible audits.

215. In return, Member States commit to improving the quality and predictability of voluntary funding for the United Nations development system, including by scaling up core funding and contributions to inter-agency pooled funds, ideally through multi-year commitments. This will strengthen the alignment of funding with the strategic objectives of entities of the United Nations development system and the United Nations Sustainable Development Cooperation Framework, while enabling them to provide the holistic, integrated solutions needed to enhance their support for the 2030 Agenda.

216. The Development Coordination Office will coordinate regular tracking of funding compact commitments. Progress reporting against these commitments will follow two tracks: entity-specific, through individual entities' reporting mechanisms to their governing bodies; and system-wide, through future editions of this report. We have already integrated the commitment indicators, along with baseline data, into the quadrennial review monitoring and reporting framework (A/74/73/Add.3-E/2019/14/Add.3) and have referenced them throughout this report in the relevant chapters.

217. The Development Coordination Office will convene inclusive, informal, system-wide consultations twice a year with interested Member States until the seventy-fifth session of the General Assembly. The purpose of these consultations is to support entity-specific funding dialogues with updates on implementation, notably as they relate to the tracking of efficiency gains over time and their redeployment for development activities.

218. The funding compact is designed to inform and support entity-specific structured funding dialogues. Such structured funding dialogues with Member States

have already been taking place in several governing bodies of entities of the United Nations development system to address issues related to the quality of funding, in particular the decline in core funding. In 2018, 17 of 23 entities, including all nine United Nations funds and programmes, indicated that their governing bodies had held dialogues on financing the results agreed in their strategic plans. Common themes included transparency, quality and predictability of funding and alignment of financial resources with strategic plans.

219. I am confident that the funding compact will gradually shift the current funding pattern of the United Nations development system and enable the system to fulfil its core functions, including the normative support and guidance that Member States expect. I count on Member States to uphold their commitments in the compact. To secure and sustain a higher quality and quantity of funding, the entities of the United Nations development system will accelerate steps to work collaboratively towards collective objectives and to provide more transparent information about how they spend funds and the results they achieve.

VII. Delivering on expectations

220. Informed decision-making plays a vital role in guiding the United Nations development system on its journey of transformation and in delivering results. Both the Economic and Social Council and the General Assembly, in the context of the quadrennial comprehensive policy review and the resolution on the repositioning of the United Nations development system, have called for regular reporting on progress in the implementation of their decisions. I am committed to keeping Member States thoroughly informed as we continue to move towards a stronger United Nations.

221. The present report already marks a shift in how progress is reported, by aligning the reporting on both the quadrennial comprehensive policy review and the repositioning of the United Nations development system. In addition to capturing all the steps undertaken by the system in follow-up to the two resolutions, including through a survey targeting the headquarters of United Nations entities administered by the Department of Economic and Social Affairs, I have also updated the monitoring and reporting framework of the quadrennial review, in collaboration with the United Nations development system.

222. The monitoring and reporting framework ensures a comprehensive set of indicators that help to measure and track progress in implementation. Having undergone a number of revisions in the light of evolving resolutions, the current framework is the product of add-ons. Following the guidance from the next cycle of the quadrennial review, it may be advisable to develop a monitoring framework that will be better aligned with the renewed spirit and mandates of the General Assembly resolutions on the quadrennial review and on the repositioning of the United Nations development system (resolution [72/279](#)).

223. Meanwhile, in 2019, the Department of Economic and Social Affairs will update all its country-level survey products, including those directed at programme country Governments, resident coordinators and operational management teams, to provide up-to-date data and analysis in advance of the 2020 quadrennial review.

VIII. Conclusion

224. Over the last two years, we have engaged collectively in the most far-reaching and comprehensive reform effort in the history of the United Nations. We now have the mandates, tools and political will to transform the Organization into a vehicle to

bring prosperity by helping countries to overcome the challenges of today and tomorrow.

225. Expectations are high for the repositioning of the United Nations development system and, collectively, we will be held accountable for lifting our ambition to the level of the 2030 Agenda and delivering results on the ground, where our ultimate responsibility rests.

226. As shown in the present report, we are on track to deliver on all reform mandates. At the same time, this is a complex change process that will continue to unfold until all changes take root and the system fully pivots into a more collaborative way of working. We approach the coming months with a sense of responsibility and determination as we seek to unlock the potential of these reforms and maximize the impact of the United Nations development system.

227. In the early days of the transition into a repositioned United Nations development system, our work is inevitably centred on advancing structural changes and setting up the tools and mechanisms for changing the way we operate. Moving forward, Member States can expect these changes to yield results, which will be harvested primarily in country. I look forward to continuing to report on our progress, first and foremost on our impact on the ground, with a clear indication of how things are changing for the people we serve.

228. In a year from now, when the Economic and Social Council considers my next report during its operational activities segment, we intend to demonstrate clear benefits. By then, Member States should expect to see an even stronger sense of momentum, with an improved dialogue with Governments and other national counterparts; a more united United Nations voice and response at all levels; innovations in our policy and technical support; more transparency and a clear strategy to make our work and presence in countries more effective and efficient.

229. To ensure that we get there, I ask the Economic and Social Council to embrace the comprehensive approach and proposals that I have outlined in the present report. Specifically, I count on Member States:

- To acknowledge the progress achieved so far in advancing all reform mandates
- To endorse the way forward to reposition United Nations regional assets and the multi-country offices to enhance and tailor support to all the countries we serve
- To request all governing bodies of all entities of the United Nations development system to facilitate any necessary adjustments to allow us to continue to move forward with the changes mandated by the General Assembly and leave no entity behind

230. Member States have asked me to maintain the ambition that I set out in 2017 for ensuring that the United Nations is fit for supporting countries to deliver on the 2030 Agenda. Member States can count on my promise and that of the entire United Nations development system to do so. In turn, we count on the continued leadership, engagement and commitment of Member States as the journey unfolds.