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Statement at the

Operational Activities Segment of ECOSOC –

Annual Dialogue with Executive Heads

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Introduction

Let me begin by thanking the Vice-President of ECOSOC, H.E. Ms. María Emma Mejía Vélez, Permanent Representative of Colombia, for her introductory remarks, and for her leadership in the ECOSOC Dialogues.

I wish to build on the positive energy and momentum of the ECOSOC Dialogue of 30 January and focus my remarks on the three discussion questions for this session.

Question 1. What opportunities and challenges do the integration requirements of the post-2015 development agenda pose if the Organization is to remain fit-for-purpose in the new era?

The MDGs were vital in rallying the world to join the fight against poverty, and I am proud of the role the UN development system is playing in supporting countries in their implementation. We look forward to continuing to support Member States in the transition to and implementation of the post-2015 agenda.

We can build on success, such as the process which led to the more than 400 national MDG Reports which the UN development system has supported countries to prepare. These

have contributed to in-country development dialogue and ownership, and to global knowledge sharing.

Today's development challenges are complex and interconnected across countries. Finding sustainable solutions requires integrated responses. In this big year for development we can find synergies across the big global processes and outcomes around the Third UN World Conference on Disaster Risk Reduction in Sendai, Japan, next month; the Financing for Development conference in Addis Ababa in July; the Special Summit on Sustainable Development here in New York in September; and Climate Change COP21 in Paris at the end of the year.

Why a joined-up UN development system is important

Addressing poverty and vulnerabilities and building resilience requires governments to work across ministries and sectors

and within broader partnerships. Whole-of-government approaches are needed. In the same way, we in the UN development system need to be prepared to work collaboratively in support of countries' sustainable development plans. No one ministry, sector, or agency working in isolation can make an optimal contribution.

A transformative sustainable development agenda demands adaptation and change from us <u>all.</u> In the UN system, that includes, but goes well beyond, the Funds and Programmes. A truly system-wide approach is called for at all levels.

The new UNDAFs, which are gearing up to support countries to deliver on the SDGs, will be based on new Standard Operating Procedures (SOPs). These guide UN Country Teams on planning, implementing, measuring results, and reporting together.

The SOPs build on our experiences with the Delivering as One approach. Seventy eight per cent of countries where Delivering as One was formally adopted said that as a result there was less duplication of UN efforts; in 83 per cent of countries operating under Delivering as One, UNDAFs are judged to be well aligned with the national planning cycle; and in eighty per cent of UNCTs in Delivering as One countries, governments were provided with a joint report on the UN's collective performance and resources in 2014. These positive outcomes lead us to encourage all UNCTs to work more collaboratively, guided by the SOPs, in support of nationally and internationally agreed development goals.

Question 2. Which QCPR mandates require accelerated and/or scaled implementation (in order to help ensure that the UN development system remains fit-for-purpose in the post-2015 era)?

The QCPR – once fully implemented – will take the UN development system a long way towards being fit for purpose to deliver on the post-2015 agenda. So where are there continuing bottlenecks to implementation?

First, we must complete reforms at the headquarters level to support common business operations, and results management and reporting. The UN Development Group is progressing this together with the High Level Committee on Management.

We expect to get significant cost-savings from the joint Business Operations Strategies and Joint Service Centres which we are currently piloting. More reliable data on this will be available later this year, from pilots in Brazil, Ethiopia, Tanzania, and other countries. We plan to take this effort to scale as a top priority for 2015.

Second, we must continue to strengthen to the RC System. In 2014, the UNDG initiated a system-wide cost-sharing arrangement in support of it. We count on Member States to support us during the upcoming budgetary negotiations across all governing bodies of the Funds, Programmes, Specialized Agencies, and the Secretariat, to ensure that all UNDG members make their full contribution.

On scaling–up implementation of the QCPR, let me refer to three key areas:

First, on Poverty Eradication:

The big breakthrough needed in development is to achieve simultaneously the eradication of poverty, with significant reduction of inequalities and exclusion, and the protection of the environment.

In this context, many UNCTs are providing support for addressing the non-income dimensions of poverty as part of national development strategies.

This support has been requested across LDCs, LICs, and MICs, and positions us well to support SDG implementation on poverty eradication in diverse country contexts.

Second, on Capacity Development:

Strengthening national capacities to advance the sustainable development agenda is a top priority for the UNDG. We recognise that this will require more investments in capacities and innovative approaches. UNDP has embraced this, including by developing quality assurance criteria which ensure that national counterparts are fully engaged in design and implementation. The UNDG overall has a common

approach to capacity development. We need to track and report on this better.

Third, on South-South Co-operation:

South-South and triangular Co-operation are now included as a strategic priority in the UNDG 2015/6 work plan. The newly-established UNDG Task Team on South-South Co-operation will guide and support the mainstreaming of SSC across the UNDG, and will update the procedures and guidance needed.

Some UNDAFs - for example, those in Brazil, Chile, and Thailand - include SSC as a part of their strategic results. Others - for example, in Argentina, India, and Venezuela - mainstream SSC in their UNDAFs. Going forward, the number of UNDAFs promoting SSC is expected to grow.

UNDP offers its global network and capacities at the country level in support of South-South Co-operation, and is developing a comprehensive, corporate strategy on South-South and triangular Co-operation, to guide our scale-up in this area.

UNDP has undertaken to shield the funding allocated from programme resources to the UN Office for South-South Co-operation in the event of any reductions to UNDP core resources and budgets.

On Funding and the case for Core

Funding for the multilateral system has grown at an average rate of six per cent per annum since 2007, primarily driven by increases in earmarked funding. This latter trend is apparent in UNDP's own funding.

Core resources, however, are essential as they enable us to be strategic and responsive to countries' needs; strengthen accountability, transparency, and oversight; advance UN coherence and co-ordination; and provide predictable, differentiated services across programme countries.

Earmarked resources are important too, as they allow us to deliver key development interventions at scale, and to respond to crises, such as with the Ebola response currently. The current concentration of highly-earmarked and project-driven funding, however, can bring with it high-transaction costs, limited flexibility, and a risk of lessening our strategic focus. We do work hard to overcome these inherent constraints.

Our objective is to secure a larger and more stable base of core resources **and** core resource contributors to enable us to deliver on what is expected of us. We look forward to

continued discussions with Member States on how we can achieve these objectives together.

Question 3. What are the implications of the growing diversity of development experiences of countries for the funds and programmes in the post-2015 era [e.g. in terms of: a) staff capacities; b) differentiated programme and technical support; c) the current national execution modality?]

<u>In this context, let me speak to the issue of integrated UN Teams.</u>

A universal sustainable development agenda calls for a highly competent UN development system which can operate across diverse national contexts. It should be built around results-based, issue-focused, and networked teams which can work with speed, flexibility, and professionalism, and add value – irrespective of physical presence and diverse business models.

For the UN development system to be fit for purpose in country, it needs to shift its centre of gravity from providing representation to providing expertise, and from having a "multitude of country offices" in a capital to a "strength of country team" approach. The vertical technical silos across agencies must become a thing of the past, as we pool our strengths in support of nationally and internationally agreed development goals. To maximize efficiencies, these teams will ideally be supported by integrated back offices. Shared risk management and due diligence are also essential. We are building this together.

In conclusion

As we move towards the post-2015 agenda, it is important to be considering what needs to change in the way we operate. The reform mandate set out in the last QCPR, however, was

farsighted, and the focus this year must be on implementing it in full. The next QCPR must then build on the progress we have made. It will be important that dialogue on how we work also takes place at the country level, and we look forward to more country consultations going forward.