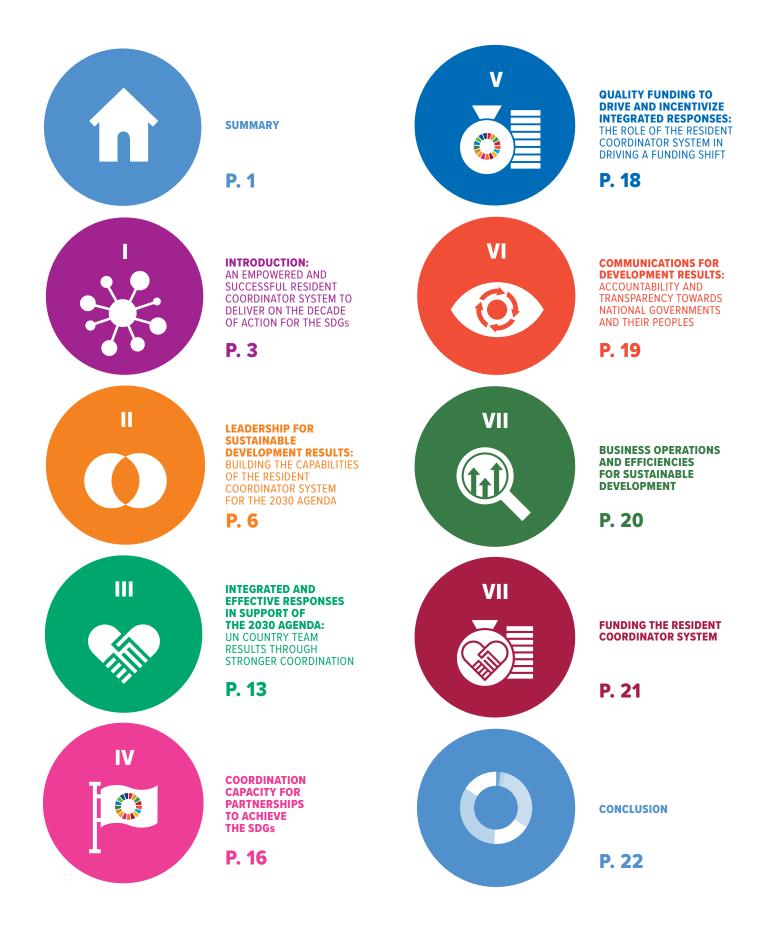
2020 REPORT OF THE CHAIR OF THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GROUP ON THE DEVELOPMENT COORDINATION OFFICE



UNITED NATIONS DEVELOPMENT COORDINATION OFFICE

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SUMMARY

WE WORK WITH GOVERNMENTS AND PARTNERS IN



COUNTRIES AND TERRITORIES FOR THE 2030 AGENDA



OF PROGRAMME COUNTRY GOVERNMENTS INDICATE THAT RESIDENT COORDINATORS HAVE SHOWN INCREASED CAPACITY TO SUPPORT NATIONAL DEVELOPMENT PRIORITIES 2019 was a watershed year for UN development coordination. Following the May 2018 landmark resolution 72/279, through which the General Assembly decided to fundamentally transform the UN development system (UNDS) to better respond to the 2030 Agenda for Sustainable Development, a truly empowered and independent RC system was launched on 1 January 2019. Across 162 countries and territories, Resident Coordinators (RCs) are now fully dedicated to coordinating country-level development activities, with a direct reporting line to the Secretary-General, strengthened independence and authority over the activities of UN country teams (UNCTs), enhanced analytical capacities in their offices, and dedicated backstopping from new regional offices of DCO and a stand-alone global Development Coordination Office (DCO).

The report presented to the Economic and Social Council (ECOSOC) last year covered only the first three months of the new RC system and DCO operations. This report marks the first annual account of progress. It encompasses key pillars defining the success of UN support to national governments, including empowered, impartial and full-time development coordination leadership; integrated UN policy and programming responses; and innovative partnerships to advance the 2030 Agenda, all backed by quality funding, efficient operations and effective communications to ensure full transparency and accountability for results. Data were collected through the Information Management System (IMS) of the United Nations Sustainable Development Group (UNSDG), which reflects UNCT inputs channeled through Resident Coordinator Offices (RCOs), as well as surveys by the Department of Economic and Social Affairs (DESA) of programme country governments and RCs. RCs were expected to consult with UNCT members on relevant questions of the DESA survey.

Early signs are promising. Enhanced coordination is beginning to yield results. Almost all UNCTs (95%) report that a joint approach has strengthened their relationships with governments.¹ The collective offer is better defined, more accessible and more attuned to needs on the ground. Two thirds of programme country governments indicate that RCs have shown increased capacity to support national development priorities.² Over half (56%) also state that RCs have made UN activities more coherent and helped reduce duplication.³

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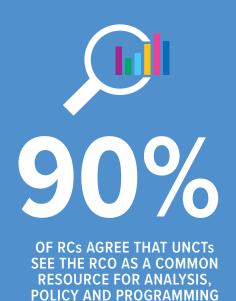
- 2 2019 DESA survey of programme country governments.
- 3 il

UNSDG Information Management System (IMS).

Organizational culture is also gradually shifting to embrace greater cooperation and collaboration. All UNCTs report that they have changed activities in response to reforms, highlighting improved joint planning and joint programme implementation.⁴ Three quarters of RCs (75%) state there is greater access to UNDS expertise to address specific national needs, priorities and challenges.⁵ Over 90% agree that UNCTs see the RCO as a common resource for analysis, policy and programming.⁶ Close to three quarters affirm that DCO has provided adequate support in rolling out structural changes and new coordination instruments.

Given the extent of the structural and cultural overhaul, some challenges remain. The true impact, in terms of the achievement of the Sustainable Development Goals (SDGs), will require time. But the journey of transformation has begun, and the spirit of UN reform is already infusing the immediate and longer-term response to the COVID-19 crisis. RCs are bringing together UN assets behind WHO's efforts, and will be at the forefront of the coordinated, multi-agency, multi-sectoral approach required to face the social and economic impacts of the crisis.

The present report should be read in tandem with the 2020 Secretary-General's report on the quadrennial comprehensive policy review of operational activities for development of the United Nations (QCPR). The two reports chronicle progress in making the UNDS fit to deliver on the 2030 Agenda. At age 75, the UN is embracing change, united in its renewed commitment to a better organization and a better world.



UNCTS

REPORT THAT THEY HAVE CHANGED ACTIVITIES IN

RESPONSE TO REFORMS

.....

- 2019 DESA survey of PCs
- 6 ibid
- 7 ibid.

INTRODUCTION: AN EMPOWERED AND SUCCESSFUL RESIDENT COORDINATOR SYSTEM TO DELIVER ON THE DECADE OF ACTION FOR THE SDGs

1. On 1 January 2019, a new era of UN development coordination began. A reinvigorated RC system was rolled out, embodying the vision of the General Assembly for a dedicated, independent, impartial and empowered development coordination function. This change is fundamental as we start the Decade of Action, and even more so in light of the COVID-19 crisis. The urgency is now twofold: to protect development gains and to accelerate action to achieve the SDGs by 2030.

2. The new RC system has been at the heart of the reform, in response to the high ambition of the 2030 Agenda and QCPR calls for a more cohesive, effective and efficient UNDS. Development coordination is now a full-time, impartial function; RCs have greater authority, capacities and tools. This transformation has helped shift the UNDS to a more integrated working model, making better use of expertise and assets at the global, regional and country levels, with greater accountability for results.

3. **2019 was a take-off year.** Following the formal transfer of the RC system to the Secretariat, the focus was first on a smooth transition. **Within three months**, staff recruitment was initiated, legal and administrative arrangements established, and funding to kickstart operations mobilized. Staff at UNDP and the Secretariat eased the shift, supported by Member States with funds and engagement through the Advisory Committee on Administrative and Budgetary Questions (ACABQ), the Fifth Committee and ECOSOC.

4. Within six months, new tools, instruments and platforms were operationalized to support the RC system, enhance accountability, boost transparency and enable new funding approaches. Guidance for a new Common Country Analysis (CCA) and Cooperation Framework was developed, a new internal Management and Accountability Framework (MAF) introduced, the Funding Compact agreed, Joint SDG Fund operationalized, and an online platform created to track contributions to the Special Purpose Trust Fund (SPTF) for the RC system. An overhaul of UNCT and UNSDG websites began to showcase progress on reform.

5. One year later, structural changes are in place, with 87% of investments in development coordination targeting country-level functions and capacities. RCs are now fully dedicated to development coordination, under the leadership of the Secretary-General, connecting and catalyzing UNCTs. 75% of positions in RCOs were filled by the time this report went to print, with all others well advanced in the recruitment process. Regional offices of DCO have been established. DCO has carried out its own transition to a stand-alone office and is better equipped to support the RCs. This has also been possible thanks to the strong operational support by UNDP for financial, human resources, general operations and administrative services for all RCOs and most regional offices of DCO. In some countries the longer-term host agreement to define the legal basis for RCs and RCOs to operate is still being negotiated; it is important to finalize this step soon, so as to focus operations on advancing the development agenda.

6. Concrete changes are taking shape. At country level, full-time, empowered and independent RCs are mobilizing UNCTs towards integrated planning and tailored responses. Advances include UNCT reconfiguration, better pooling of technical and policy resources, and more joint planning and programming. Teams are making increased use of joint communications, common business operations, and greater collective mainstreaming of core norms and principles. At regional level, newly established regional offices of DCO deliver country-level support tailored to the specificities of each region.

7. Globally, improved coordination is bringing the system together around system-wide strategies to advance the 2030 Agenda. Support for development activities in countries is being enhanced through increased investments in collective knowledge platforms; improved quality control for inter-agency analytical, planning and reporting products; more effective joint communications and advocacy; and increased transparency of development activities. 8. Enhanced coordination is also enhancing dialogue with Member State and constructive feedback on performance. It is fostering effective prioritization and decision-making, and more robust follow-up. It is facilitating an SDG-centred whole-of-system alignment behind national priorities, including through resource mobilization and the establishment of pooled funds.

9. National governments recognize that strengthened coordination is demonstrating visible benefits. Two

thirds of programme country governments indicate that, since 1 January 2019, RCs have shown increased capacity to support national development priorities.8 95% of UNCTs note changes in how they work with governments.9 Over half report enhanced joint strategic planning¹⁰ Partnerships and information-sharing are on the rise, and governments are proactively engaging RCs and UNCTs in national development discussions. Angola, China, Gabon, Papua New Guinea and Uzbekistan have upgraded the RCs' diplomatic rank, for example, formally recognizing them as the highest-ranking UNDS representatives in the country, and allowing increased access to top government officials, including Heads of State and Government.

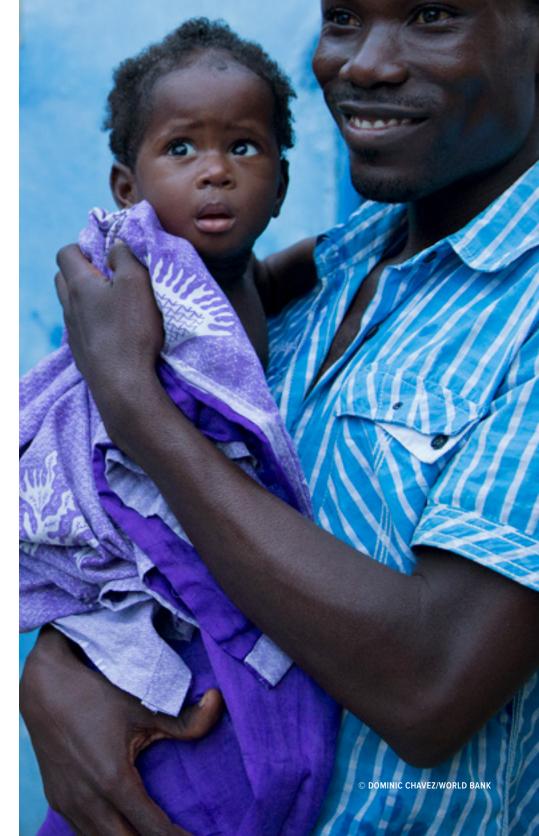
10. The UNDS also appears to increasingly value improved

coordination. A UNFPA survey of 112 country offices carried out in late 2019 reports not only greater abilities to engage in joint programming, but also to deliver on entity-specific mandates, position UNFPA issues more centrally, access governments and enter into partnerships more easily, due to the RC's enhanced role as convener, broker and spokesperson for the entire UNCT. Specialized agencies also confirm greater engagement in UNCTs. Agencies with limited in-country presence are systematically offering expertise to increasingly accessible and open UNCTs.

8 2019 DESA survey of programme country governments. UNSDG IMS

9

10 ibid.



11. The level, scope and pace of transformation vary across countries and regions, as covered extensively in the 2020 Secretary-General's report on the QCPR. While the direction is unambiguously positive, challenges remain. A first major test is the response to the immediate and long-standing socioeconomic consequences of the COVID-19 pandemic. Momentum must be maintained behind systemic cultural changes fully embracing the urgency of a more coherent, effective and efficient UNDS. The RC system must ensure that support aligns with country-specific needs. Priorities for 2020 include strengthening RC leadership and RCO capacities, introducing system-wide evaluation of collective planning and integrated responses, and debuting new regional and global MAFs, while continuing to consolidate transformation to date.

12. Success will be measured by

improved, integrated policy advice, as the 2030 Agenda requires; increased programmatic results, including more effective cross-border and sub-regional responses; more efficient and agile operations; and greater transparency and accountability, refreshing the relationship with Member States and inspiring renewed commitment to multilateralism. Ultimately, the primary measure of success will be the impact for people, planet and prosperity.

13. Member States will continue to guide the evolution of the UN development coordination architecture. Through the 2020 QCPR, the General Assembly will define the next roadmap for operational activities for development. ECOSOC's annual review will provide oversight and accountability for the RC system. The governing bodies of agencies, funds and programmes will help the UNDS align individual corporate systems with General Assembly and ECOSOC guidance. At age 75, the UN has shifted gears, prepared as never before to act on the transformative ambitions of the 2030 Agenda and the promise to leave no one behind.

FIGURE 1 WHAT DOES SUCCESS LOOK LIKE IN THE LONG-RUN?

Success in the long-run								
Improved, integrated policy advice from a joined-up UN development system, in line with the integrated nature of the 2030 Agenda	Increased programmatic results advancing the SDGs, made possible through enhanced collaboration	Better cross-border and sub-regional responses to today's development challenges that know no borders	Increased efficiencies to allow better service delivery and development gains	Renewed relationship with Member States through increased accountability and transparency				

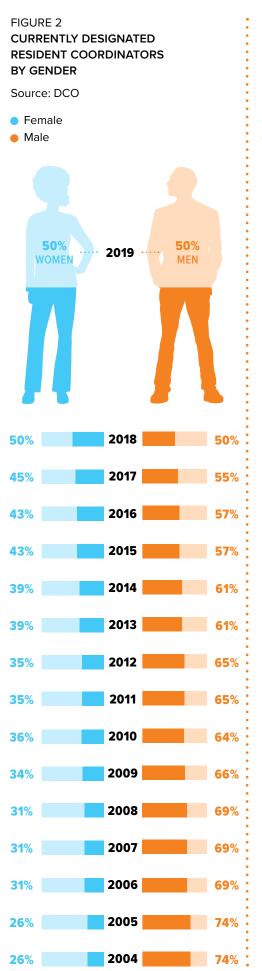
The above will take time. In the meantime, what can we offer?

MONTH 1	MONTH 6	MONTH 18+
^{Success:} Good instruments, processes and tools	^{Success:} Changing behaviour/ quality improvements	Success: Impact and results improving peoples' lives
EG: • Smooth transition from UNDP to Secretariat • New Trust Fund/new systems in place • Business continuity protected • Good communications on change • Staffing-up of RCOs and DCO • Reporting baselines set	EG: Better quality CCA/Cooperation Frameworks, improved UNDS collective offer More coordinated, integrated responses More coordinated fund-raising Transformed UNCTs in line with country needs Improved regional/sub-regional engagements Improved SDG reporting and dialogue with governments	EG: • Progress in the achievement of • The 2030 Agenda • The Paris Agreement • The Addis Ababa Action Agenda • The Sendai Framework • Other regional intergovernmental agreements (SAMOA Pathway, Istanbul and Vienna Programme of Actions, etc) • Progress in the achievement of UN and SG strategies (women, youth, disability, etc)
Validated by: • Member States • Resident Coordinators • Ministries of Foreign Affairs	Validated by: • National governments • Donors • Civil society and other stakeholders	Validated by: • Beneficiaries • National governments and Member States • UN Agencies • Other stakeholder groups (CSOs, IFIs, etc)
MONTHS 0-6	MONTHS 6–18	MONTHS 18–36

LEADERSHIP FOR SUSTAINABLE DEVELOPMENT RESULTS: BUILDING THE CAPABILITIES OF THE RESIDENT COORDINATOR SYSTEM FOR THE 2030 AGENDA

Figure 2 and 3 show the composition of Resident Coordinators by gender and geographic origin.

For two consecutive years we have had gender parity now. Ensuring that Resident Coordinators come from all regions of the world has also been a priority. The gap between those coming from the global North vs. the global South decreased in 2019.



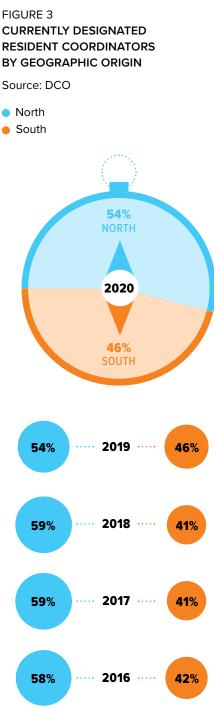
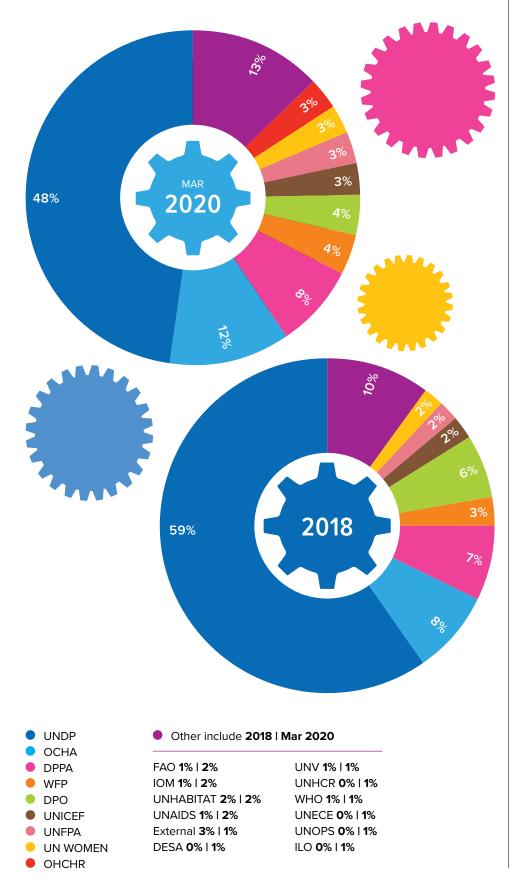


FIGURE 4 RESIDENT COORDINATORS BY UN ENTITY OF ORIGIN

Source: DCO

Figure 4 shows how, after the reform, the composition of the Resident Coordinators by UN entity of origin is changing. Compared to 2018, Resident Coordinators are coming from a greater number of UN entities.



I. RESIDENT COORDINATOR LEADERSHIP TO LIFT UNCT SUPPORT FOR THE SDGs

14. To enable the transformation of the UNDS, RCs must be highly qualified leaders with a deep understanding of the conceptual shift of the 2030 Agenda and the implications for national planning, financing and implementation. They need to draw on expertise and assets from the entire UN and beyond to address Member States' development priorities. They need to lead UNCTs in integrated analysis and planning to accelerate results. They need to identify, enable and support innovative partnerships and solutions. They also need to be better equipped to ensure coherence between development, humanitarian and peacebuilding actions, especially where they also serve as Humanitarian Coordinator (HC) and Deputy Special Representative of the Secretary-General (DSRSG).

15. **The Secretary-General convened a second annual global RC meeting** in November 2019 to reiterate his expectations and support for this higher level of ambition. RCs reflected on their new role, challenges and opportunities with the Secretary-General, peers, other high-level officials and Member States.

16. DCO launched a series of initiatives to support RCs throughout the year. To strengthen the common SDG knowledge base, DCO partnered with UNDP to develop an SDG Primer, guided by an inter-agency Learning Advisory Council chaired by UNU. The UN System Staff College, together with the Sustainable Development Solutions Network and UNITAR, developed a certification for RCs and an e-course for all interested development practitioners and Member States.

17. DCO is also cultivating a diverse RC cohort and ensuring that RCs meet enhanced expectations by helping incumbent RCs to "shift gears" where necessary, building a robust pool of high-caliber RC candidates, revamping the selection system to identify those best suited for each country, proactively managing and supporting RCs including through strengthened capacities, and establishing new accountabilities as part of redefining the RC relationship with UNCTs.

BUILDING A HIGH-CALIBER COHORT OF RESIDENT COORDINATORS TO ADVANCE THE 2030 AGENDA

18. In 2019, DCO started mapping RC talent needs, over a five-year horizon, and identifying high-potential candidates within and beyond the UN system. RC positions are now advertised 6-12 months in advance to ensure smooth transitions, while a roster of retired RCs provides senior expertise to fill unexpected vacancies.

19. In 2019, two RC recruitment rounds placed 25 new RCs. The RC gender gap was closed in 2018. Geographic diversity improved from 41% in 2018 to 46% by March 2020. Diversity in RCs' agency of origin also increased.

FIGURE 5

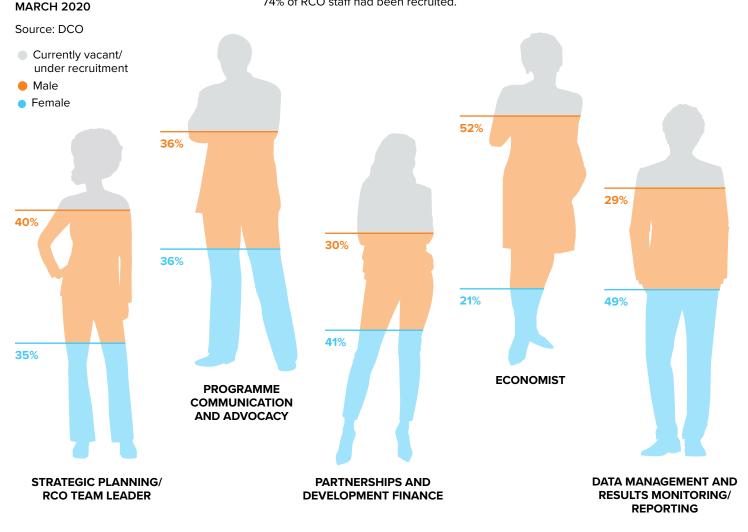
STAFFING OF RESIDENT

COORDINATOR OFFICES,

20. A redesign of the RC selection system, including the RC Assessment Center, is ongoing to ensure an RC pool that is equally diverse in gender, geography and skill sets. DCO and the Office for the Coordination of Humanitarian Affairs (OCHA) have initiated a joint talent pool of Resident Coordinators and Humanitarian Coordinators to strengthen leadership for both development and humanitarian contexts.

21. The new **leadership development** strategy requires all incoming RCs to attend country-specific briefings in New York with relevant stakeholders from the Secretariat, other UN entities and the Permanent Mission of the Host Country. First-time RCs receive mentoring from former RCs and executive coaching. In a five-day induction, they reflect on their role with UN partners. 22. A transitional RC **performance appraisal system** has been put in place as the foundation for a long-term plan to be introduced in 2021. Yearly appraisals draw on inputs from the regional UNSDG team, the host country and other partners in the country. A peer feedback tool will be piloted in 2020. The Secretary-General, henceforth, will make the final evaluation of all RCs.

Figure 5 shows the staffing progress of Resident Coordinator Offices. Recruiting RCO staff to service UN Country Teams has been a major focus during 2019. Each RCO has 5 core positions made up of a combination of national and international staff. As of March 2020, 74% of RCO staff had been recruited.



REINVIGORATING RESIDENT COORDINATOR OFFICES TO STRENGTHEN THE CAPACITIES OF RESIDENT COORDINATORS AND SUPPORT UN COUNTRY TEAMS

23. Reinvigorated, ramped-up RC Offices underpin the renewed RC system. Each RCO now has five core positions covering strategic planning; economics; data management, monitoring and evaluation; partnership and development finance; and communications and advocacy.

24. About half of the new RCOs include four national and one international positions, and the rest opted for three national and two international professionals. UNDP has managed national recruitment for the Secretariat, hiring 311 out of an expected 399 national officers. National staff—more than half of them women—made up 53% of recruitments across the five core functions.

25. In April 2019, the Secretariat launched a global call for a major roster exercise to hire 196 international RCO staff, mainly strategic planners and economists. As of March 2020, 140 had been recruited. Two fifths (44%) were women. Recruitment included 69 nationalities.

26. Most RCs report that they now have sufficient analytical capacities to better fulfil their enhanced functions. Over 90% believe that the UNCT values the new RCO as a common resource for analysis, policy and programming.¹¹

DEFINING RELATIONSHIPS AND ACCOUNTABILITIES BETWEEN THE RESIDENT COORDINATOR AND THE UN COUNTRY TEAM

27. A renewed set of clear accountabilities between the RC and UNCT has been put in place through the country level chapter of the MAF. New accountability mechanisms allow RCs to provide inputs into performance appraisals of UNCT members on UNCTspecific goals. By March 2020, UNDP, UNFPA, UNICEF, UNHCR, UN Women, UNOPS and UNAIDS had formalized this arrangement; all remaining UNSDG members are expected to do so in 2020. A DCO survey in November 2019 found over 90% of RCs stating that the MAF has changed how UNCTs work and improved government perceptions of RC leadership.

28. A large majority of RCs report clearer understanding of their new leadership role and responsibilities, based on the revised RC job description. They point as well to enhanced UNCT commitment to working together, particularly for joint planning, and sufficient prerogative¹² to reduce duplication of efforts. Over half (56%) of programme country governments state that the RC has strengthened UN coherence and helped reduce duplication in country.¹³

29. RCs report some ongoing

challenges, such as perceived divergence in reform-related instructions given by different UN entities to country representatives; 45% of RCs see "significant disconnects" between UNSDG global policies and UNCT reality.¹⁴ RC participation in UN agencies' high-level delegations or events remains uneven. Accountability mechanisms through agencies' performance appraisal systems are not yet fully in place, although work is well under way.

30. The country chapter of the MAF will be reviewed in 2020. Regional and global chapters of the MAF will be developed following final decisions on regional reviews and an internal review of UNSDG arrangements.

12 ibid.

- 13 2019 DESA survey of programme country governments.
- 14 2019 DESA survey of RCs.

ABOUT ABOUT 1/2 OF THE NEW RESIDENT COORDINATOR OFFICES INCLUDE 4 NATIONAL AND 1 INTERNATIONAL POSITIONS



11 2019 DESA survey of RCs.

II. COORDINATION AT REGIONAL LEVEL TO SUPPORT THE RESIDENT COORDINATOR SYSTEM

31. In 2019, DCO established five new regional offices. All regional directors are in place; 73% of staff has been recruited. Regional offices of DCO are RCs' first port of call for technical support and quality assurance of new system-wide planning and programming measures. They help mobilize regional UN entities behind national priorities, encourage cross-border initiatives and back RC peer exchanges. They connect the national to the global level, by ensuring consistency in carrying out and implementing UNSDG guidance and decisions by the Executive Committee and Deputies Committee at country level, and helping to channel and consolidate reforms on the ground.

32. Regional offices of DCO have provided extensive training on the new **Cooperation Frameworks and pooled** regional expertise. Regional inter-agency peer support groups continue to provide technical support and quality assurance for Cooperation Frameworks, increasingly involving regional commissions to ensure a robust economic analysis and policy focus. For example, the regional office of DCO for Asia and the Pacific facilitated substantive inputs by ESCAP to five CCAs and Cooperation Frameworks over 12 months. The peer support group in Latin America and the Caribbean provided the vehicle for ECLAC's inputs to four UNCTs in the region. The regional office of DCO and the peer support group for the Arab States facilitated ESCWA's support to nine RCOs and UNCTs. Some UNCTs are working together to align Cooperation Frameworks to tackle cross-border issues or common challenges.

33. New regional networks for knowledge-sharing have been established among RCs and UNCTs, to ensure a demand-driven system whereby UNCTs can better tap into regional assets to respond to national priorities and needs. Regional offices of DCO have organized regional meetings of RCs, at times in collaboration with specialized agencies, regional

commissions and normative agencies, to discuss regional challenges, opportunities and possible collaborations. In Latin America and the Caribbean, for example, the regional office organized a firstof-its-kind regional meeting of all RCs with ILO; the regional office in Africa organized similar meetings on climate and environmental change with UNEP and on regional integration with ECA. Regional offices have also facilitated virtual regional exchanges among RCs and agencies, funds and programmes. The regional office of DCO for Europe and Central Asia, for example, organized virtual exchanges for regional agency directors to help them better engage with RCs in the region. UNCTs report that online thematic discussions and information sharing have been useful.

34. Regional offices of DCO have shared guidance on UNDS repositioning with RCs and UNCTs. Most have engaged in regional review consultations. Regional offices have also advised RCs on management issues arising from the transfer of the RC system into the Secretariat and supported RCO hiring processes. The regional office for Latin America and the Caribbean, for example, partnered with ECLAC and UNDP to develop inductions for new RCs and RCO staff that were replicated elsewhere. The regional office for the Arab States organized a workshop for RCs, RCOs and UNCT representatives on understanding Islamic financing mechanisms in support of the 2030 Agenda, which will be replicated in Central Asia and Europe as well as the African region, where such mechanisms are also relevant. Regional offices also help advance the efficiency agenda by supporting RCs in the roll-out of business operation strategies (BOS).

35. In many regions, regional offices of DCO and regional UNDS entities have partnered to bring RCs and UNCTs into major regional initiatives and facilitate access to key regional assets. For instance, regional offices of DCO and UNDS entities at regional level work closely to ensure that the regional knowledge management and statistical hubs, led and hosted by the regional commissions, are fully and easily accessible to RCs and UNCTs. In Latin America and the Caribbean, the RCs of El Salvador, Guatemala, Honduras and Mexico worked under the leadership of ECLAC and with other UN entities to support a comprehensive intergovernmental plan for Central America covering economic development, social welfare, environmental sustainability and migration management. The regional office of DCO supported the four RCs to organize a sub-regional cluster, and hold quarterly meetings assessing sub-regional trends and planning programmatic collaboration.



IN 2019, DCO ESTABLISHED



III. GLOBAL SUPPORT OF THE UN **DEVELOPMENT SYSTEM**

36. DCO's global backing of RCs and **RCOs includes operational support** and strategic guidance through new policies, quidelines and standards for a renewed collective approach. This centres on the new CCAs and Cooperation Frameworks - for which DCO facilitated an inter-agency process to develop new guidance - as well as funding and financing strategies for UNCTs to leverage all resources to support countries in achieving the SDGs.

37. DCO has worked with UNSDG members to roll out knowledge

management systems to better capture, distribute and use knowledge resources across the UNDS. In 2019, it introduced platforms to facilitate knowledge flow across the UNDS at country, regional and headquarter levels on key issues such as strategic planning, data, economic policy, business operations, communications, leadership, development financing and partnerships. A new portal for RCs eases access to key resources and guidance on reform, complemented with monthly webinars. Collectively, these networks host more than 6,000 members across 30 UN entities. In the future, a process linking them to other relevant networks includes connecting the RCO economists' community with the UN Economist Network hosted by DESA.

38. Close to three guarters of RCs report that DCO has provided "adequate

support",¹⁵ particularly in RCO staffing and repositioning around the CCA, the Cooperation Framework, the MAF and the BOS. Areas that need improvement are those where work is still in progress, including the RC and UNCT performance appraisals, UNCT configuration processes, dispute resolution, and collaboration across development, humanitarian and peacebuilding interventions.

15 2019 DESA survey of RCs

FIGURE 6

ADEQUACY OF SUPPORT RECEIVED BY **RESIDENT COORDINATORS FROM DCO**

Source: DESA Survey of Resident Coordinators, 2019

Adequate Inadequate/No Support

COMMUNICATIONS ON UNDS REFORM

RCO **STAFFING**

DEVELOPING A BUSINESS OPERATIONS STRATEGY

THE COOPERATION FRAMEWORK DEVELOPEMENT PROCESS

COMMON **BUSINESS OPERATIONS**

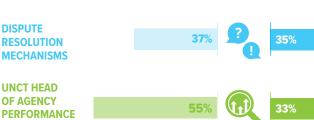
IMPLEMENTATION OF THE MANAGEMENT AND ACCOUNTABILITY FRAMEWORK

COMMON COUNTRY **ANALYSIS**

RC PERFORMANCE **APPRAISAL**

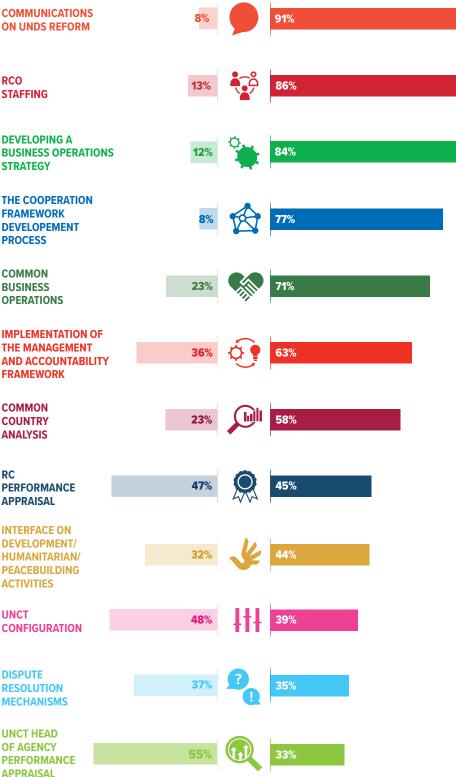
INTERFACE ON DEVELOPMENT/ **HUMANITARIAN**/ PEACEBUILDING

ACTIVITIES UNCT **CONFIGURATION**



Note: The difference to 100% indicates answers marked as "Not applicable" (not graphed)

DCO support is deemed particularly strong in change management and repositioning, RCO staffing as well as Cooperation Framework, BOS and MAF rollout and implementation. Areas that need improvement are those where work is still in progress.



39. New tools for a new generation of UNCTs have been accompanied by efforts to secure resources to build the new RC system. DCO shepherded the budget proposal through the ACABQ and the Fifth Committee, established the online platform for the SPTF, developed guidance on the implementation of the coordination levy and engaged Member States on voluntary budget contributions.

40. DCO has worked closely with UNSDG members to support cultural change across the UNDS. In 2019,

the UNSDG Principals guided UNDS repositioning, collective ownership of reforms and key workstreams to build on knowledge and best practices. UNSDG Strategic Results Groups contributed to the Funding Compact, advanced a common partnership approach, initiated work to strengthen data management and results reporting, and advanced the Secretary-General's efficiency agenda.

FIGURE 7 STAFFING OF THE DEVELOPMENT COORDINATION OFFICE BY GENDER

Source: DCO

🔴 Male

Female

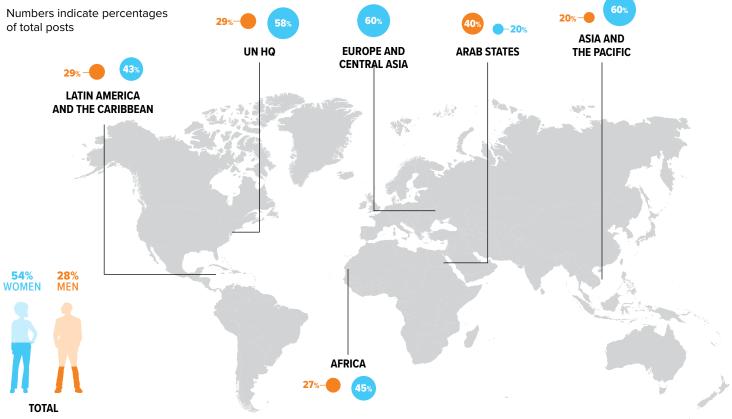
41. DCO also supports work on developing synergies across development, humanitarian and peacebuilding interventions through the Joint Steering Committee to Advance Humanitarian-Development Collaboration, where it serves as secretariat alongside UNDP, OCHA and the Department of Political and Peacebuilding Affairs' Peacebuilding Support Office (DPPA/ PBSO).

42. In parallel with these efforts, DCO completed its own transformation. It carried out extensive recruitment in line with the approved structure and budget to refresh and expand its own capacities, attracting talent from across the UN system, governments and other partners. Today, DCO's strong, diverse cadre of professionals is 66% female, 56% from the global South and includes 47 nationalities. Overall, as of March 2020, 82% of DCO staff at headquarters and regional level had been hired.

43. DCO's enhanced coordination capacities have proven critical in the wake of the response to COVID-19. RCs drive the UN response on the ground, ensuring that UN expertise is used effectively to support countries and leveraging the leadership roles of WHO and UNDP, respectively, to respond to the health crisis and its socioeconomic ramifications. DCO has provided guidance to RCs and RCOs in handling multiple aspects of the crisis, from internal operational preparedness to coordinating UNDS support to national governments facing immediate health needs and longerterm impacts. DCO, along with UNDP, is also co-leading the UN Task Team set up by the Secretary-General to operationalize the immediate socioeconomic response to the pandemic.

Figure 7 shows the staffing progress of the Development Coordination Office by region and gender. As of March 2020, 82% of DCO global and regional staff has been recruited. The strong, diverse cadre of professionals in DCO is made of staff that is 66% female, 56% from the global South and includes 47 nationalities.

Note: Difference to 100% indicates posts that are currently vacant and/or under recruitment.



INTEGRATED AND EFFECTIVE RESPONSES IN SUPPORT OF THE 2030 AGENDA: UN COUNTRY TEAM RESULTS THROUGH STRONGER COORDINATION

44. As the 2020 Secretary-General's report on the QCPR reveals, a new generation of UNCTs is emerging. RCs sit at the center of this transformation, leveraging new tools for joint planning and programming, namely, the CCA and Cooperation Framework. Nearly two in three UNCTs (69%) report improved joint planning as a key achievement in 2019.16 In fact, 15 Cooperation Frameworks were launched in 2019; 37 are being developed in 2020. A dashboard on the implementation status of Cooperation Frameworks in every country is available on the UNSDG website, along with a library of documents related to the Framework.

45. To ensure that the CCA and Cooperation Framework meet the ambitions of the reform, DCO partnered with the UN System Staff College to deliver training for 41 UNCTs on preparing Cooperation Frameworks. 58 staff across UNDS entities were trained as trainers to support – along with regional peer support groups – a growing number of UNCTs, governments and other partners engaged in design and implementation of Cooperation Frameworks.

46. New ways of working are opening access to a broader range of UN technical expertise. Full-time RCs and strengthened RCOs draw the entire range of UN system resources together to offer integrated responses tailored to country needs. Three quarters of RCs (75%) report that they now have the capacity to access the wealth of normative and technical expertise and resources across the UNDS, including in specialized agencies and organizations with a limited country footprint.¹⁷ Enhanced RC leadership also facilitates discussion on the right UNCT configurations, now mandatory in country planning and programming processes. This aims to tap the best, most relevant UNDS capacities to deliver on the Cooperation Framework.

47. Regardless of whether they are resident in a country or not, all agencies signing a Cooperation Framework are now members of the UNCT. Engagement of agencies not physically present in countries has increased; they represented nearly a third of UNCT members in 2019.¹⁸ In Asia and the Pacific there has been greater involvement by agencies without a country presence including DPPA, in developing CCAs. Globally, regional commissions are now full-fledged members of 40 UNCTs, up from 34 in 2018.19 "Virtual" UNCTs are becoming more common, as in Comoros, where the UNCT includes 12 agencies with no physical presence on the ground. The new Cooperation Framework in Turkmenistan has 18 UN signatories, far beyond the existing UNCT configuration of 10 UN entities; only 6 signatories will have physical offices in the country.

48. With the backing of RCs and their teams, UNCTs are increasingly providing integrated SDG policy support to national and local governments. There was an 11% increase in joint programmes targeting the Goals, from 445 in 2018 to 498 in 2019.²⁰ Greater government engagement is evident. The Cooperation Framework has also enhanced collaboration with development partners.

49. In line with the financing imperatives of the Decade of Action, RCs are engaging with the highest levels of government and convening all partners to help countries reinforce the SDG financing architecture, and leverage public and private investment. Over 15 "pioneer" countries have started designing Integrated National Financing Frameworks (INFFs) with UN system support. RCs lead the overall coordination of such efforts at the country level, with UNDP providing technical leadership, and the European Union, international financial institutions and other partners offering additional support. The Inter-Agency Task Force on Financing for Development, chaired by DESA, is further developing its global INFF methodology to support Member States, incorporating experiences and lessons learned from the pioneers.

UNSDG IMS. 2019 DESA survey of RCs.

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18 UNSDG IMS. 19 ibid.

20 ibid.

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INCREASED GOVERNMENT ENGAGEMENT WITH RCs AND UNCTs

In **Uganda**, after a first-of-its-kind dialogue between the UNCT and the President, the Government appointed a new national SDG focal point to interact with the UNCT.

In **Senegal**, the UNCT carried out its first joint field visit where 11 agencies engaged with regional government authorities.

In the **Maldives**, the UNCT was joined by the government at their very first CCA retreat to discuss the prevention agenda and the SDGs.



INCREASED COLLABORATION WITH **DEVELOPMENT PARTNERS**

In **Guatemala**, the UNCT and the European Union undertook a major exercise to align their respective planning tools, and Sweden bilaterally committed to align to the Cooperation Framework.

In **Uzbekistan**, a joint UN and World Bank retreat helped align both entities' analytical work.

In **Cabo Verde**, the RC and the Minister of Foreign Affairs co-led a dialogue with the UNCT and all development partners on partnerships and possible new SDG financing initiatives.



JOINT ACTION FOR GENDER EQUALITY, YOUTH AND PEOPLE WITH DISABILITY IS ON THE RISE

The UNCT in **Turkey** developed the first inter-agency action plan with beefed-up complaint mechanisms and support for victims of sexual exploitation and abuse.

In **Bangladesh**, UNCT commitments in the Scorecard for the UN System-wide Action Plan on Gender Equality translated into a gender-responsive Cooperation Framework, grounded in gender analysis in the CCA, for the first time.

In **Burkina Faso** and **Morocco**, the UNCT is jointly mapping all youth activities. In the former, the team shifted from a sectoral approach to youth to a more coherent and systematic joint effort.

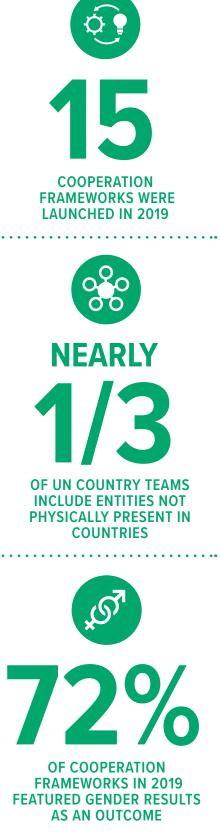
In **Turkmenistan** and **Uzbekistan**, UNCTs have begun massive consultations listening to thousands of youth and people with disabilities, including in rural areas, as part of their CCA and Cooperation Framework processes.

50. An integrated approach is also visible in efforts to leave no one behind, including through the translation of global strategies into country actions. For instance, DCO worked with the Joint SDG Fund to guide proposals on gender, human rights and vulnerable groups. Joint programmes aimed at gender equality increased by 39%, in 2019.21 72% of Cooperation Frameworks in 2019 featured gender results as an outcome. The UNCT gender scorecard has improved gender analysis in the CCA and prioritization in the Cooperation Framework. DCO also works closely with the Office of the Youth Envoy to mainstream the UN Strategy on Youth. Several UNCTs are jointly mapping youth activities and developing more coherent and systematic approaches. RCs are championing initiatives like Generation Unlimited , a multisector platform hosted by UNICEF where all UN entities join businesses and youth organizations to jumpstart opportunities for young people. DCO supports RCs and UNCTs in advancing the UN Disability Strategy, too, with RCs in Fiji, Guatemala, Malawi and Tajikistan coordinating the UNCT validation of a disability inclusion scorecard pilot. In addition, DCO's enhanced support to RCs for realizing indigenous peoples' rights has reached over 30 countries (from Benin to Costa Rica); an indigenous peoples' scorecard is in process.

51. RC leadership is enabling a new generation of cross-border programming to help governments address complex challenges at their request. With support from RCs and UNCTs, the Heads of State of Kenya and Uganda sealed a historic commitment to improve peace and stability, respond to climate change and achieve the SDGs in a disaster and conflict-prone area at the border of the two countries. Similar collaboration in Benin and Togo is embedded in the Cooperation Framework to address crossborder challenges such as population movements, child trafficking, conflict prevention, youth radicalization and epidemics.

52. The new RC system has become the anchor for integrated SDG solutions that link humanitarian, development and peacebuilding interventions in specific country contexts. CCAs and Cooperation Frameworks feature stronger analyses of drivers of vulnerability, and better highlight interlinkages of interventions by different pillars. The Cooperation Framework in Jordan, for example, includes a vulnerability umbrella that bridges the humanitarian and development divides to address inequality more systematically. Under the leadership of the RC, the UNCT in Syria is working to develop a strategic response that focuses on community cohesion to underpin much needed stabilization. Strong coordination across development, humanitarian and peacebuilding interventions is especially critical in transition settings, such as in Mali, where the new Cooperation Framework complements the multiyear Humanitarian Response Plan, the Integrated Strategic Framework of the United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA) and the Transition Calendar.

53. Despite progress, transformation of the UN's joint planning and programming approaches is not yet complete. Not all Cooperation Frameworks fully align with the new requirements. The new **Cooperation Framework guidance** came at a point in 2019 when 15 UNCTs had already begun preparing the new Cooperation Frameworks on the basis of previous guidance; moreover, most UNCTs are still within ongoing programme cycles. In 2020, all UNCTs will need to update their CCAs to respond to changed country contexts, including as a result of the COVID-19 pandemic, and meet new global standards. Special guidance for complex settings, high-income countries and countries serviced by multi-country offices will also need to be finalized. Structural obstacles to greater synergies between the Cooperation Framework and entity-specific country programmes remain to be addressed, especially to streamline preparation and approval processes for the latter. The governing bodies of UNDP, UNFPA, UN Women and UNICEF have agreed to adjust approval processes as needed.



21 UNSDG IMS.

COORDINATION CAPACITY FOR PARTNERSHIPS TO ACHIEVE THE SDGs

54. A full-time RC and a new cadre of dedicated partnership officers have helped improve partnerships for innovative programmatic results. They offer a "one-stop shop" for development partners, facilitating coherent UN engagement with all development stakeholders and leveraging partnerships in support of governments' development efforts.

55. As a result, more UNCTs are collectively engaging in scaled-up, ambitious, strategic partnerships, with some exciting innovations coming to life. In Kenya, the RC, in close collaboration with the UNCT, is supporting the country's "Silicon Savannah" - a partnership among the government, development partners, the private sector, philanthropic organizations, civil society and academia in Kenya and the Silicon Valley in the US. The initiative aims to unlock investments to build skill sets and generate potential information technology jobs. In Brazil, the UNCT has placed the SDGs at the centre of new partnerships with the justice system and Public Prosecution Service and the National Confederation of Municipalities. The result is SDG localization in over 5,500 local governments reaching 200 million people. The RC and the UN multi-country team covering Barbados and countries of the Organization of Eastern Caribbean States have partnered with international financial institutions and the private sector to address the specific financing constraints of many Caribbean small island developing States. A new private sector engagement strategy has galvanized support from the Global Compact Office, the European Union and the Caribbean Development Bank.

56. Partnerships are shaping wholeof-society efforts to advance the

SDGs. In Benin, to prepare the CCA, the UNCT partnered with a mobile phone company foundation to conduct broad consultations. Using a toll-free number, over 100,000 people (including women, youth, people with disabilities and those living with HIV among others) could voice their views. One of many issues that came to light was the lack of birth certificates in certain areas and government agents stepped forward to help register more than 30,000 newborn children. 57. The UN-World Bank partnership is evolving around CCAs and Cooperation Frameworks. In Lebanon, the two organizations are jointly conducting the CCA and the Systematic Country Diagnostic to define common understanding of strategic engagement on the 2030 Agenda. This is an initial step towards aligning the future Cooperation Framework and the first national development plan in three decades.

58. DCO has played an important role in cultivating an environment that enables partnerships, working closely with UN Office for Partnerships, the Global Compact Office and DESA. It has supported the UNSDG in developing common minimum standards for multi-stakeholder engagement in the Cooperation Framework, and in shaping the first common approach to research and due diligence for business sector partnerships.

59. DCO is collaborating with OCHA and DPPA/PBSO to ensure coordination with humanitarian and peacebuilding interventions, with a focus on prevention of crisis and vulnerabilities to achieve the 2030 Agenda. A joint DCO-DPPA/ PBSO workplan for 2020 will strengthen analytics and support CCAs and Cooperation Frameworks, envisioning special assistance to countries in transition and attention to financing, including through a World Bank partnership. DCO and OCHA are similarly bolstering collaboration on joint analysis, joinedup planning, and data sharing, including through information management systems of humanitarian and development partners.

FIGURE 8 TOTAL UNCT PARTNERSHIPS BY TYPE OF ENGAGEMENT

Source: UNSDG IMS

2017

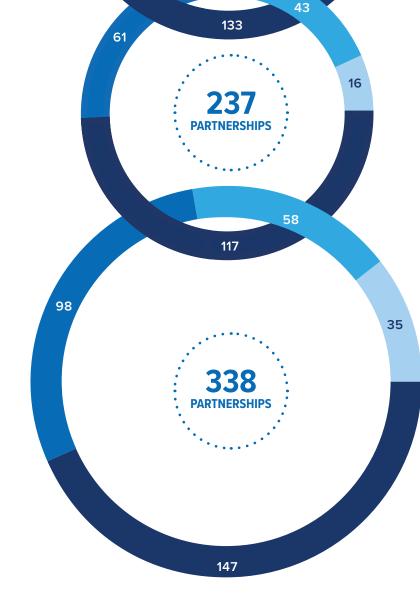
Figure 8 shows the number of UNCT partnerships globally by composition. UNCT partnerships increased with all different types of partners during 2019, especially partnerships with civil society, which grew by 80% compared to 2018 of a the stilles

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2018



PARTNERSH

2019

- Funding of UN work
- Formal commitment to SDG action (in an Memorandum of Understanding or other agreement)
- UN-facilitated investment in national SDG achievement
- In-kind contributions such as knowledge and technology for UN and/or Government

QUALITY FUNDING TO DRIVE AND INCENTIVIZE INTEGRATED RESPONSES: THE ROLE OF THE RESIDENT COORDINATOR SYSTEM IN DRIVING A FUNDING SHIFT

60. In his 2020 report on the QCPR, the Secretary-General reports on the progress so far in advancing the landmark Funding Compact approved by the General Assembly in 2019. **DCO has played a key role, in co-leading the design of the Funding Compact and supporting its implementation,** working closely with the UNSDG and Member States, including through guidance on reporting to uphold accuracy and consistency.

61. RC commitments under the Funding Compact include articulating a Cooperation Framework funding strategy, establishing country-level pooled funds, coordinating UNCT submissions to the Joint SDG Fund, and increasing the visibility of core and pooled contributions.

62. Only a few UNCTs have articulated funding strategies so far, given the late finalization of the guidance and the ongoing placement of RCO economists and strategic planners throughout 2019. With these issues resolved by 2020, the number of strategies is expected to increase.

63. RCOs also play a key role in the establishment of country-level pooled funds, which have been flourishing in support of national priorities identified in the Cooperation Framework. 27 such funds, many successors of the first-generation Delivering as One funds, continue to be active; 15 new pooled funds have been established in the wake of UNDS reform. 2019 saw an acceleration in the capitalization of these funds. For example, the UN Country Fund in Papua New Guinea saw a major surge in contributions, including for the first time from the governments of Papua New Guinea and Germany; and a European Union contribution of approximately €100 million is in the pipeline. In Pakistan, the UK committed £35 million to the UN Sustainable Development Framework Fund for inter-agency work along the north-west border with Afghanistan. For the first time, the government of Albania provided an unearmarked contribution of US\$6.5 million to the national SDG Acceleration Fund.

64. Country-level pool funds often complement global mechanisms, such as the Spotlight Initiative, strengthen coherence, reduce fragmentation, broaden the donor base, share risk and provide flexibility to adapt to evolving circumstances. In Colombia, for example, the UN Multi Partner Trust Fund for Sustaining Peace has mobilized US\$150 million and in 2019 invested US\$2.1 million in private sector investment proposals with a direct impact on the SDGs, which leveraged private sector contributions seven times higher than the initial investment amount.

65. The global Joint SDG Fund is successfully stimulating collective action across UNCTs, governments, the private sector and civil society. It has mobilized US\$276 million²² to date and launched two calls for proposals in 2019, following the transition to a new RC system.

66. The first Joint SDG Fund call for proposals in March 2019 was focused on integrated approaches to social protection, with an emphasis on leaving no-one behind and a total envelope of US\$70 million. That first call demonstrated how the Joint SDG Fund can incentivize UNCT collaboration, with strong government leadership. It resulted in 35 joint programmes committed to improving social protection for vulnerable and marginalized groups, including children, adolescents, minorities, people living with disabilities and the elderly. The programmes link to 33 international financial institution investments; in 17 countries, the World Bank is one of the main partners. In Mauritania, WFP, ILO and UNICEF support an integrated social protection system that will reach 280,000 people in an acutely vulnerable region. In Cambodia, through the combined assistance of ILO, UNICEF and WHO, a government cash transfer scheme will reach 200,000 pregnant women and children by 2022. In Ecuador, ILO, UN Women and UNDP will enable 1.4 million young people to access decent work by 2022, half of them women. In Georgia, the social protection system, health and social services will be transformed to ensure social inclusion and equal rights for people with disabilities.

67. The second <u>call</u> focused on SDG financing and was launched in December 2019, with a US\$100 million envelope. This is **one of the largest UN-led initiatives to promote SDG financing**. It aims at creating an enabling environment, such as through financing strategies, strengthened capacities and public-private partnerships. It will invest in key initiatives to offer proof of concept, and to replicate and scale up existing initiatives. The selection process for joint programmes prioritizes least developed countries, small island developing States and fragile countries.

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²² In terms of pledges announced since the establishment of the Fund on 2017.

COMMUNICATIONS FOR DEVELOPMENT RESULTS:

ACCOUNTABILITY AND TRANSPARENCY TOWARDS NATIONAL GOVERNMENTS AND THEIR PEOPLES



68. Sustained support for development reform requires enhanced communications for development results, linked to increased transparency and accountability to governments and the wider public. The present annual report to ECOSOC and the discussions that it informs at the Segment on Operational Activities for Development allow the UN membership to have a full picture of RC system activities and to give guidance to the system. The online portal of the SPTF offers full information and figures on RC system funding.

69. Evaluations play a central function in this effort. OIOS has initiated an advisory engagement to support the RC system, including audit and evaluation scoping activities that will continue in 2020. Preliminary audit engagements have taken place through missions to Indonesia, Thailand and Viet Nam. The UN Board of Auditors is also conducting an audit of the development reform pillar to be finalized by July 2020. At country level, the new Cooperation Framework guidance and companion package stipulate mandatory system-wide evaluations of performance and results. In addition, the Secretary-General is taking forward his efforts to strengthen system-wide evaluation, as elaborated in his 2020 report on the QCPR.

70. DCO has improved its data systems, results reporting and transparency tools. IMS allows DCO to collect information on UNCT activities and was upgraded to capture results following the reform. UN INFO showcases the joint SDG programming of UN entities and continued its roll-out in 2019. To date, it has been adopted by 68 UNCTs, and several use it to produce results reports for national governments. Starting in 2020, UN INFO is mandatory for all UNCTs embarking on a new Cooperation Framework. In Cabo Verde, the Prime Minister has called it a crucial transparency, accountability, data and storytelling tool to assess joint UN results. Overall, there has been a 6% rise in annual UNCT reporting on joint results from 2018 to 2019. In 2020, DCO will enhance guidance and further improve tools for annual joint reporting to governments.

71. A full-time RC function and RCOs with dedicated officers for data management and results monitoring have boosted transparency and accountability. To support RCs and RCOs, UNSDG data ecosystems are being strengthened to improve performance tracking, follow-up and evidence-based policymaking. The creation of the UNSDG Task Team on Country-Focused Data and Reporting brings together knowledge, expertise, guidance and tools for SDG monitoring and reporting from across the UN system, with an online toolkit making diverse resources readily accessible.

72. Increased visibility of RC and UNCT activities has also been enabled by an overhaul of DCO-backed online communication tools promoting "coordination at a click". In 2019, DCO launched a revamped UNSDG website in English, including resources on UNCT and UNSDG activities, tools and policies at global, regional and country levels. It will be available in Spanish and French in 2020 and in all official UN languages by 2021. 50 new UNCT websites are active as platforms for data visualization and storytelling, pulling data automatically from IMS and UN INFO. All UNCTs are expected to do so by 2021. UN Information Centres (UNICs) also began migrating their websites to UNCT web platforms backed by DCO, thereby achieving operational efficiencies and unified messaging.

73. Communications officers in all RCOs work closely with communicators across the system to reinforce the transparency of UNCT activities, while strengthening the collective voice of the system on the ground. A new global communication network has fully integrated 44 out of 50 UNICs into RCOs; six exceptions are due mostly to geographic coverage or different locations from the RCO. This bolsters communication alignment between the RC system and the Department of Global Communications (DGC). In 86 locations without a UNIC, new communications officers in RCOs are being recruited; 50 had been hired by March 2020.

BUSINESS OPERATIONS AND EFFICIENCIES FOR SUSTAINABLE DEVELOPMENT

74. Serving as the secretariat to the **UNSDG Business Innovation Group** (BIG), co-led by WFP and UNHCR, DCO has helped advance collective efforts to ensure more efficient UNCT operations. This has required a considerable efforts and we are now in a positive trajectory. In his 2020 report on the QCPR, the Secretary-General provides a detailed overview of efforts made to date to advance common premises and common services across several administrative areas, building on more ambitious UNCT business operation strategies, and harmonized principles of mutual recognition and client satisfaction, as well as costing and pricing.

75. RCs' responsibility for advancing the Secretary-General's ambitious efficiency agenda encompasses all of these areas. DCO currently supports over 40 UNCTs in moving towards common premises, for example. The BIG is also establishing an inter-agency database of UN premises to track every country's current situation and finalizing common premises pilots in six countries as the basis for devising a methodology for consolidation.

76. The merger of 44 UNICs into RCOs has created efficiencies and savings. A total of 30 UNICs (68%) are now colocated with the RCO. Most importantly, the 44 communications officers will remain on DGC accounts, while reporting directly to the RC. This has freed SPTF funds originally allocated to RCO communications officers,offsetting other costs, such as for enhanced coordination measures for MCOs.



VII

FUNDING THE RESIDENT COORDINATOR SYSTEM

77. DCO has supported the efforts of the Secretary-General to ensure that the hybrid funding formula for the RC system has the highest possible chance of success, with strong support from Member States and the UNSDG. Member States adopted a model consisting of voluntary contributions, the doubling of UNSDG cost-sharing and a 1% levy on tightly earmarked third-party noncore contributions to UN development activities. All three funding streams flow into the SPTF. Full financial reporting is carried out annually, within three months of the calendar year end.

78. To date, 36 Member States have contributed to the SPTF, with sums ranging from US\$15,000 to US\$23 million, totalling US\$118 million for 2019.

79. The doubling of the UNSDG cost-sharing arrangement has been implemented, with strong support from UN governing bodies. A total of 17 of 19 UNSDG members contributed US\$75 million out of an expected US\$77.5 million in 2019. UNWTO and WMO did not participate; the latter has committed to doing so in 2020. ITC will join the costsharing arrangement in 2020, and UNIDO has committed to participating with its full share. The UNSDG injection of funding was vital to the roll-out of the new RC system as some donors' contributions and the levy took time to arrive.

80. In 2019, the coordination levy yielded US\$30 million, a remarkable outcome less than six months into implementation. DCO developed guidance for operationalizing the levy, in consultation with Member States and the UNSDG, providing the option of collection by agencies or donors. Since the guidance was circulated to Member States in March 2019, 28 Member States have formally chosen the agency-administered option, while two Member States and the EU have selected the donor-administered option.

81. In combination, all three funding streams totaled US\$223 million.

Although this left a shortfall of US\$58 million from the US\$281 million budget presented to Member States, the rollout of the RC system was implemented effectively. DCO ensured a smooth transition by recruiting staff in stages, in line with cash flow. This phased approach resulted in 2019 closing with expenditures of US\$143 million and commitments of US\$7 million, totalling US\$150 million. It also allowed to carry over some funds to 2020, providing additional time to mobilize additional contributions and strengthen the funding base. Full expenditure is projected in 2020.

82. With the RC system now in place, full funding is required for 2020 and beyond. To date, 18 Member States have made firm commitments or contributed US\$41 million. This includes a number of multi-year contributions and pledges made at the beginning of 2019. Soft commitments for 2020 total US\$37 million. The UNSDG cost-sharing arrangement is expected to yield US\$77.5 million, and the levy another US\$31 million. This adds up to US\$187 million, leaving an additional US\$94 million needed for the full budget of US\$281 million.

83. To ensure that the ECOSOC Segment on Operational Activities for Development can fully perform its oversight function over the RC system, a detailed overview of resources, including their distribution for the next biennium and results for 2019, is provided in the annex. Information on revenues from all three funding streams as well as expenditures can also be found at the SPTF portal, <u>soc.un.org/SPTF</u>. A new version of the portal will be launched in May 2020 on the UNSDG website.

84. The General Assembly will review the funding model at its 75th session. Stepping-up development coordination means building a system for the future. It is not a one-off project. The funding required represents less than 1% of expenditure for UN operational activities for development. At the same time, it adds significant value, as shown in the many countries already benefiting from the reinvigorated RC system in its first year. Ensuring funding sustainability, including by further expanding the funding base, remains a challenge and a priority.

CONCLUSION

- 85. Despite important achievements, we still have some road to travel to ensure that the RC system – along with the overall UNDS – is rooted in robust foundations to respond to the ambition of the 2030 Agenda and the urgency of the Decade of Action with the leadership, scale, quality and speed required.
- 86. RCs must demonstrate and earn their role of leaders of UNCTs. They must fully shift to their new, impartial and stepped up functions, drawing from and supporting all UNDS entities in their efforts to assist national governments. The redesign of the RC selection system is a priority to ensure that the new leadership cohort is in line with today's expectations. The assignment of the right profile of RCs to the right place at the right time will be a critical success factor.
- 87. RCs must also be able to count on the support they need. Nascent regional offices of DCO must consolidate their establishment and serve in the reprofiled and restructured UN regional landscape, in line with the regional review expectations. Mutual accountabilities between the RC system and UNDS entities must also be fully implemented and adjusted where needed. We must conclude the establishment of longer-term host agreements for RCs and their offices in all countries as soon as possible.
- 88. The shift towards a collaborative organizational culture must be consolidated. New analytical and planning tools have proven that they greatly improve the ability of the UN development system to work together. Yet, with most CCAs and Cooperation Frameworks still in progress or to be initiated, their contribution will become more evident in 2020 and 2021. The step from integrated planning to integrated implementation requires further strengthening. National governments and donors will continue to play a critical role in ensuring the right incentives to that end.
- 89. Unfinished mandates, such as the multi-country office and the regional reviews, will need to be implemented in line with Member States' decisions. System-wide evaluation will also need to be enhanced, especially to ensure robust evaluations of Cooperation Frameworks.

CONCLUSION

- 90. Funding remains a key component of the challenges ahead. To sustain progress and meet increasing demands, including those brought by the COVID-19 pandemic, full, predictable and sustainable funding remains vital. The contribution by all Member States is critical for a renewed RC system that benefits all governments and their peoples. The review of the reinvigorated RC system during the 75th session of the General Assembly, including its funding arrangements, will be a key opportunity to firm up the funding modalities.
- 91. Yet, as the preceding pages document, only one year after the new RC system began operations, the decision to elevate coordination for sustainable development to an independent, impartial and empowered function is clearly beginning to show real results. The COVID-19 pandemic will likely be the litmus test for the reinvigorated RC system to live up to its promise.

ANNEX

OVERVIEW OF RESOURCES OF THE SPECIAL PURPOSE TRUST FUND OF THE RESIDENT COORDINATOR SYSTEM

The overall resource requirements for 2021 reflect a nominal increase of US\$519,900 (0.2%) against 2020 resources. This tentatively includes additional resources that will be sought, should Member States endorse the upcoming proposal to ECOSOC on the strengthening of multi-country offices. The increase also includes increased regional coordination capacity, additional

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capacity for multi-county offices and increased proforma staff costs for 2021, largely offset by a significant reduction in service provision costs and a closer integration and leveraging of the capacity of the UN Information Centres of the Department of Global Communications. This effort was made to ensure that the additional staff requirements could be met while remaining budget neutral, overall.

TABLE 1 FINANCIAL RESOURCES BY COMPONENT

In Thousands of United States dollars

				Changes		
Component		2019 expenditure	2020 estimate	Variance amount	Variance percentage	2021 estimate
А.	Executive direction and management	1 903.2	2 346.4	497.9	21.2	2 844.3
В.	Programme of work					
	Global coordination	7 546.5	14 392.3	61.5	0.4	14 453.8
	Regional coordination	3 310.9	6 659.4	2 884.7	42.7	9 504.1
	Country coordination	131 060.5	246 298.7	(2 980.7)	(1.2)	243 318.0
Su	btotal B. POW	141 917.9	267 350.4	(74.5)	0	267 275.9
C.	Programme support	5 990.6	11 609.7	96.5	0.8	11 706.2
	Total	149 811.7	281 306.5	519.9	0.2	281 826.4

TABLE 1 FINANCIAL RESOURCES BY COMPONENT

In Thousands of United States dollars

Total	149 811.7	281 306.5	519.9	0.2	281 826.4
Non-post	76 540.0	120 844.0	(3 338.7)	(2.8)	117 505.3
Post	73 271.7	160 462.5	3 858.6	2.4	164 321.1
	2019 expenditure	2020 estimate	Variance amount	Variance percentage	2021 estimate
			Changes		

.....

TABLE 1 FINANCIAL RESOURCES BY COMPONENT

In Thousands of United States dollars

			Professional and higher					General Service and related Natior		al staff					
(Number of posts)		USG						P-3 P-2	P-2	Subtotal	Principal	Other level	National Professional Officer	l I Local	
А.	Executive direction and management	_	1	1	-	2	2	1	_	7	2	1	_	_	10
в.	Programme of work Global coordination	-	_	_	2	10	16	11	-	39	-	3	-	-	42
	Regional coordination	-	-	5	-	6	11	5	-	27	1	-	-	5	33
	Country coordination	_	2	34	82	84	123	1	1	327	_	_	421	264	1 012
	Subtotal B.POW	_	2	39	84	100	150	17	1	393	1	3	421	269	1 087
с.	Programme support	_	_	_	1	3	5	2		11	4	1	_	_	16
	Total	_	3	40	85	105	157	20	1	411	7	5	421	269	1 113

OVERVIEW OF FINANCIAL RESULTS FOR 2019

RESULTS FOR 2019 ARE REFLECTED IN TABLES 4–5 FOR INFORMATION PURPOSES. In 2019, revenue for the RC system amounted to US\$223 million, comprising US\$118 million from voluntary contributions, US\$75 million from the cost sharing arrangement and US\$30 million from the 1% coordination levy. This was significantly less than the estimated revenue of US\$281million for 2019, but did not affect the implementation of reforms in the first year as recruitments were staggered as per the implementation plan, resulting in a large variance against budget in post costs and travel. However, bridging this gap for 2020 is an absolute priority. In 2020, recruitment will be completed, which will contribute to a significantly higher budget implementation rate in 2021.

TABLE 1 FINANCIAL RESOURCES BY COMPONENT

In Thousands of United States dollars

Со	mponent	2019 Budget	2019 Expenditure	Variance	
A.	Executive direction and management	2 306.8	1903.2	403.6	
В.	Programme of work				
	Global coordination	14 352.7	7 546.5	6 806.2	
	Regional coordination	6 659.4	3 310.9	3 348.5	
	Country coordination	246 298.7	131 060.5	115 238.2	
	Subtotal B.POW	267 310.8	141 917.9	125 392.9	
C.	Programme support	11 573.3	5 990.6	5 582.7	
	Total	281 190.9	149 811.7	131 379.2	

TABLE 1 FINANCIAL RESOURCES BY COMPONENT

In Thousands of United States dollars

	2019 Budget	2019 Expenditure	Variance
Post	160 346.9	73 271.7	87 075.2
Non-post	120 844.0	76 540.0	44 304.0
Total	281 190.9	149 811.7	131 379.2

