ECONOMIC COMMISSION FOR EUROPE

EXECUTIVE CO	MMITTEE
EXECUTIVE CC	MIMITTEE

Ninety-ninth meeting Geneva, 4 July 2018

Item 5 of the provisional agenda

Informal document No. 2018/17

Repositioning of the United Nations Development System

Note by the Secretariat

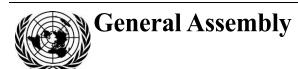
Repositioning of the UN Development System

- 1. On 31 May 2018, the General Assembly adopted resolution A/Res/72/279 on the repositioning of the United Nations Development System (see Annex 1). This landmark resolution ushers in the most comprehensive reform of the UN Development System in decades to make the UN fit for purpose to support the 2030 Agenda.
- 2. The attached documents, a Backgrounder (see Annex 2) and Frequently Asked Questions (see Annex 3), provide a brief overview of the reform initiative launched by the Secretary-General and the key decisions taken by Member States to date.
- 3. The Repositioning of the UN Development System also includes a revamping of the regional approach, in two phases, as outlined in A/Res/72/279, paras 18 and 19:

III. Revamping the regional approach

- 18. Reaffirms the role and functions of the United Nations development system at the regional level, including the regional economic commissions and the regional teams of the United Nations development system, and underlines the need to continue to make them fit for purpose in supporting the implementation of the 2030 Agenda, and to revamp the regional structures, recognizing the specificities of each region and bearing in mind that no one size fits all;
- 19. *Emphasizes* the need to address gaps and overlaps at the regional level, and endorses a phased approach to revamping the United Nations development system at the regional level, and in this regard requests the Secretary-General:
- (a) To implement, as part of the first phase, the proposed measures to optimize functions and enhance collaboration at the regional and subregional levels;
- (b) To provide options, on a region-by-region basis, for longer-term reprofiling and restructuring of the regional assets of the United Nations to the Economic and Social Council at the operational activities for development segment of its 2019 session;
- 4. This note is intended to inform member States of the current state of the discussions. As the review of the regional dimension progresses in the coming months, the UNECE secretariat looks forward to engaging with its member States in Geneva to discuss the implications for the organization and the region in preparation for further deliberations on the item at UN Headquarters.

United Nations A/RES/72/279



Distr.: General 1 June 2018

Seventy-second session

Agenda item 24 (a)

Resolution adopted by the General Assembly on 31 May 2018

[without reference to a Main Committee (A/72/L.52)]

72/279. Repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review of operational activities for development of the United Nations system

The General Assembly,

Reaffirming its resolution 71/243 of 21 December 2016 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system and its general guidelines and principles for the United Nations development system, to better position the United Nations operational activities for development to support countries in their efforts to implement the 2030 Agenda for Sustainable Development,¹

Taking note with appreciation of the reports of the Secretary-General on the quadrennial comprehensive policy review, ² and welcoming his efforts on the repositioning of the United Nations development system,

I A new generation of United Nations country teams

- 1. Welcomes a revitalized, strategic, flexible and results- and action-oriented United Nations Development Assistance Framework as 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 for Sustainable Development,¹ to be prepared and finalized in full consultation and agreement with national Governments;
- 2. Requests the Secretary-General to lead the efforts of the entities of the United Nations development system to collaboratively implement a new generation of United Nations country teams, with needs-based tailored country presence, to be

² A/72/124-E/2018/3, A/72/684-E/2018/7 and A/73/63-E/2018/8.





¹ Resolution 70/1.

built on the United Nations Development Assistance Framework and finalized through open and inclusive dialogue between the host Government and the United Nations development system, facilitated by the resident coordinator, to ensure the best configuration of support on the ground, as well as enhanced coordination, transparency, efficiency and impact of United Nations development activities, in accordance with national development policies, plans, priorities and needs;

- 3. Also requests the Secretary-General to work, through the United Nations Sustainable Development Group and in consultation with the Member States concerned, to determine appropriate criteria with regard to the presence and composition of United Nations country teams, based on country development priorities and long-term needs and the approved United Nations Development Assistance Framework, in accordance with the principles of the Charter of the United Nations and United Nations norms and standards;
- 4. Further requests the Secretary-General, in pursuance of General Assembly resolution 71/243, to conduct a review of the configuration, capacity, resource needs, role and development services of multi-country offices, in full consultation with the countries involved, to improve the contribution of the offices to country progress in achieving the 2030 Agenda, to be presented to the Economic and Social Council at the operational activities for development segment of its 2019 session;
- 5. Calls upon the entities of the United Nations development system to strengthen capacities, resources and skill sets to support national Governments in achieving the Sustainable Development Goals and, where relevant, build capacities and expertise across United Nations agencies, funds and programmes to promote progress on those Goals lagging behind, in line with respective mandates and building on comparative advantages, and reducing gaps, overlaps and duplication across entities;
- 6. Welcomes measures by the Secretary-General to advance common business operations, where appropriate, including common back-offices, and with the target of 50 per cent common premises by 2021, to enable joint work and generate greater efficiencies, synergies and coherence, and requests the implementation of those measures in accordance with resolution 71/243;

II Reinvigorating the role of the resident coordinator system

- 7. Reaffirms that the focus of the resident coordinator system should remain sustainable development, with the eradication of poverty in all its forms and dimensions as its overarching objective, consistent with the integrated nature of the 2030 Agenda and in line with the United Nations Development Assistance Framework and national leadership and ownership;
- 8. Decides to create a dedicated, independent, impartial, empowered and sustainable development-focused coordination function for the United Nations development system by separating the functions of the resident coordinator from those of the resident representative of the United Nations Development Programme, drawing on the expertise and assets of all United Nations development system entities, including non-resident agencies;
- 9. Requests the Secretary-General to strengthen the authority and leadership of resident coordinators, as the highest-ranking representatives of the United Nations development system, over United Nations country teams, and system-wide accountability on the ground for implementing the United Nations Development Assistance Framework and supporting countries in their implementation of the 2030 Agenda, through:
- (a) Enhanced authority for the resident coordinator to ensure alignment of both agency programmes and inter-agency pooled funding for development with

national development needs and priorities, as well as with the United Nations Development Assistance Framework, in consultation with the national Government;

- (b) Full mutual and collective performance appraisals to strengthen accountability and impartiality, with resident coordinators appraising the performance of United Nations country team heads and United Nations country team heads informing the performance assessment of resident coordinators;
- (c) The establishment of a clear, matrixed, dual reporting model, with United Nations country team members accountable and reporting to their respective entities on individual mandates, and periodically reporting to the resident coordinator on their individual activities and on their respective contributions to the collective results of the United Nations development system towards the achievement of the 2030 Agenda at the country level, on the basis of the United Nations Development Assistance Framework:
- (d) Reporting by the resident coordinator to the Secretary-General and to the host Government on the implementation of the United Nations Development Assistance Framework;
 - (e) A collectively owned internal dispute resolution mechanism;
- 10. *Emphasizes* that adequate, predictable and sustainable funding of the resident coordinator system is essential to delivering a coherent, effective, efficient and accountable response in accordance with national needs and priorities, and in this regard decides to provide sufficient funding in line with the report of the Secretary-General,³ on an annual basis starting from 1 January 2019, through:
- (a) A 1 per cent coordination levy on tightly earmarked third-party⁴ non-core contributions to United Nations development-related activities, to be paid at source;
- (b) Doubling the current United Nations Development Group cost-sharing arrangement among United Nations development system entities;
- (c) Voluntary, predictable, multi-year contributions to a dedicated trust fund to support the inception period;
- 11. Strongly urges all Member States to contribute to the trust fund, in particular as front-loaded contributions for the inception of the reinvigorated resident coordinator system, and in a timely manner, to ensure necessary, predictable and sustainable funding for the inception period;
- 12. Calls upon all Member States in the relevant governing bodies of all United Nations development system entities to ensure that all entities double their agreed contributions under the current United Nations Development Group costsharing arrangement;
- 13. Requests the Secretary-General, in consultation with the United Nations development system entities, to present an implementation plan for the inception of the reinvigorated resident coordinator system, including on the operationalization of its funding arrangements, to the General Assembly, before the end of the seventy-second session;
- 14. *Emphasizes* the need to ensure full achievement of the efficiency gains envisioned in the report of the Secretary-General³ in a timely manner and to redeploy these efficiency gains for development activities, including coordination;

³ A/72/684-E/2018/7.

⁴ The levy would not be charged on local government cost-sharing and cooperation among programme countries.

- 15. Requests the Secretary-General to report annually, starting in 2019, to the Economic and Social Council at its operational activities for development segment on the implementation of the reinvigorated resident coordinator system, including its funding, to ensure accountability towards Member States;
- 16. Also requests the Secretary-General to submit for the consideration of the General Assembly, before the end of its seventy-fifth session, a review with recommendations on the functioning of the reinvigorated resident coordinator system, including its funding arrangement;
- 17. Endorses the transformation of the Development Operations Coordination Office to assume managerial and oversight functions of the resident coordinator system under the leadership of an Assistant Secretary-General and under the collective ownership of the members of the United Nations Sustainable Development Group, as a stand-alone coordination office within the Secretariat, reporting to the Chair of the Group, and requests the Chair to present a comprehensive report on an annual basis, including on the operational, administrative and financing aspects of the activities of the Office, to the Economic and Social Council at its operational activities for development segment;

Ш

Revamping the regional approach

- 18. Reaffirms the role and functions of the United Nations development system at the regional level, including the regional economic commissions and the regional teams of the United Nations development system, and underlines the need to continue to make them fit for purpose in supporting the implementation of the 2030 Agenda, and to revamp the regional structures, recognizing the specificities of each region and bearing in mind that no one size fits all;
- 19. *Emphasizes* the need to address gaps and overlaps at the regional level, and endorses a phased approach to revamping the United Nations development system at the regional level, and in this regard requests the Secretary-General:
- (a) To implement, as part of the first phase, the proposed measures to optimize functions and enhance collaboration at the regional and subregional levels;
- (b) To provide options, on a region-by-region basis, for longer-term reprofiling and restructuring of the regional assets of the United Nations to the Economic and Social Council at the operational activities for development segment of its 2019 session;

IV

Strategic direction, oversight and accountability for system-wide results

- 20. Takes note of the proposal of the Secretary-General on the repositioning of the operational activities for development segment of the Economic and Social Council, and looks forward to the outcome of the ongoing review of the implementation of General Assembly resolution 68/1 of 20 September 2013;
- 21. Also takes note of the proposal of the Secretary-General to gradually merge the New York-based Executive Boards of funds and programmes, and urges Member States to continue making practical changes to further enhance the working methods of the Boards with the aim of improving the efficiency, transparency and quality of governance structures, including through deciding on ways to improve the functions of the joint meeting of the Boards;

- 22. Stresses the need to improve monitoring and reporting on system-wide results, and in this regard welcomes the strengthening of independent system-wide evaluation measures by the Secretary-General, including improving existing capacities;
- 23. Welcomes the decision by the Secretary-General to brief the Economic and Social Council in his capacity as Chair of the United Nations System Chief Executives Board for Coordination, to ensure full transparency in the activities of the Board and improve its effective interaction with, and its responsiveness to, the Member States;

V

Funding the United Nations development system

- 24. Recognizes that significantly improving its voluntary and grant-based funding is vital to the successful repositioning of the United Nations development system, as well as to the strengthening of its multilateral nature, with the aim of better supporting countries in their efforts to implement the 2030 Agenda in line with national needs and priorities in a coherent and integrated manner;
- 25. Welcomes the call by the Secretary-General for a funding compact as a critical tool to maximize the investments of Member States in the United Nations development system and the system's transparency and accountability for system-wide actions and results, and, recognizing the need to address the imbalance between core and non-core resources, takes note of the proposals of the Secretary-General to bring core resources to a level of at least 30 per cent in the next five years and double both inter-agency pooled funds to a total of 3.4 billion United States dollars and entity-specific thematic funds to a total of 800 million dollars by 2023;
- 26. Also welcomes the proposal of the Secretary-General to establish a dedicated coordination fund, and in this regard invites Member States to provide voluntary contributions in the amount of 35 million dollars to the resident coordinator system, in support of system-wide activities on the ground associated with the implementation of the United Nations Development Assistance Framework;
- 27. *Invites* Member States to contribute, on a voluntary basis, to the capitalization of the Joint Fund for the 2030 Agenda for Sustainable Development at 290 million dollars per annum;
- 28. Welcomes the commitment of the Secretary-General to repositioning the United Nations development system in accordance with calls by Member States set out in resolution 71/243 and in the present resolution, recognizes that that commitment to reform is an essential component of a funding compact, and therefore requests the United Nations development system, as the starting point for its commitment to the funding compact:
- (a) To provide annual reporting on system-wide support to the Sustainable Development Goals and present aggregated information on system-wide results by 2021;
- (b) To comply with the highest international transparency standards to enhance transparency and access to financial information in all United Nations development system entities;
- (c) To undergo independent system-wide evaluations of results achieved, at the global, regional and country levels;
- (d) To comply with existing full-cost recovery policies and further harmonize cost recovery by individual United Nations development system entities through differentiated approaches;

18-08799

- (e) To allocate, where applicable, at least 15 per cent of non-core resources for development to joint activities;
- (f) To enhance the visibility of Member State contributions to core resources and pooled funds, and related results;
- (g) To achieve efficiency gains as envisioned by the Secretary-General in his report;³
 - (h) To achieve common results at the country level;
- 29. Also welcomes the proposal of the Secretary-General to launch a funding dialogue in 2018 with a view to finalizing a funding compact in the form of a commitment between the United Nations development system and Member States, and requests the Secretary-General to report on the outcome of the funding dialogue at the operational activities for development segment of the 2019 session of the Economic and Social Council, noting that the funding compact relates to voluntary funding of the United Nations development system, as well as to other contributions;

VI Following up on the repositioning efforts of the United Nations development system at the global, regional and country levels

- 30. Requests the heads of the entities of the United Nations development system, under the leadership of the Secretary-General, to submit to the Economic and Social Council at the operational activities for development segment of its 2019 session, for consideration by Member States, a system-wide strategic document, in the light of the present resolution and in line with resolution 71/243, and to ensure that it is specific, concrete and targeted in addressing gaps and overlaps;
- 31. Reaffirms the role of the Department of Economic and Social Affairs of the Secretariat, and looks forward to the update by the Secretary-General to the Member States on the alignment of the Department with the 2030 Agenda, in accordance with General Assembly resolution 70/299 of 29 July 2016;
- 32. Requests the Secretary-General to ensure an effective and efficient transition to a repositioned United Nations development system, in particular to a reinvigorated resident coordinator system, including by giving due consideration to the role of a responsive United Nations Development Programme as the support platform of the United Nations development system providing an integrator function in support of countries in their efforts to implement the 2030 Agenda;
- 33. Also requests the Secretary-General to report to the Economic and Social Council on progress made in the implementation of the mandates contained in the present resolution and the mandates contained in resolution 71/243, as part of his annual reporting to the Council at the operational activities for development segment of its 2019 session, and to the General Assembly at its seventy-fourth session for further consideration by the Assembly and to inform the next cycle of the quadrennial comprehensive policy review to be launched in 2020.

91st plenary meeting 31 May 2018



UNITED NATIONS DEVELOPMENT SYSTEM REPOSITIONING

Backgrounder

Meeting the SDG Challenge: Changing the way the UN works to deliver results

When the 193 Member States of the United Nations adopted the forward-looking and transformative 2030 Sustainable Development Agenda and its 17 Sustainable Development Goals in 2015, they recognized that countries and the international community—including the UN itself—would have to adopt major changes and reforms if the far-reaching Goals were ever to be achieved. The 2030 Agenda is an imperative for change. Its soaring ambition—to ensure peace and prosperity for all on a healthy planet—requires equally bold changes across the United Nations.

Overview

In late 2016 the General Assembly provided guidance for repositioning the UN to enhance its cohesion and maximize its capacities and capabilities to help countries achieve the Sustainable Development Goals.

In responding to the General Assembly, UN Secretary-General António Guterres has presented an ambitious package of proposals through two consecutive reports in June and December 2017, anchored in three guiding principles: reinforcing national ownership; developing country-contextual responses; and ensuring effective delivery of development results on the ground.

"The 2030 Agenda is our boldest agenda for humanity, and requires equally bold changes in the UN development system," the Secretary-General said as he rolled out his vision and proposals for change.

"The UN development system has a proud history of delivering results," he added. "Across the decades, it has generated ideas and solutions that have changed the world for millions of the poorest and most vulnerable people on earth."

But to help countries implement the 2030 Agenda—the Secretary–General envisioned a major repositioning of the development system, through significant adjustments in the organizational arrangements, skillsets, leadership, as well as coordination and accountability mechanisms of the UN development system.

On 31 May 2018, the General Assembly welcomed the Secretary-General's ambitious vision and decided on pivotal measures for change along the lines of the package of proposals offered by the Secretary-General, in a landmark resolution on the repositioning of the UN development system. This has ushered in the most comprehensive reform of the United Nations development system in decades. It has also set the foundations to reposition sustainable development at the heart of the United Nations, and gave practical meaning to our collective promise to advance the Sustainable Development Goals for everyone, everywhere.

An urgency for change

With global tensions rising and conflicts escalating, climate impacts growing, and migration and xenophobia increasing, there is an urgency for action—the SDGs offer the best option for dealing with these global challenges in a holistic manner.

Much is happening around the world as governments and civil society are drafting or redrafting development plans to align with the SDGs. But the UN, to remain relevant and provide support at the scale required, needs to reposition itself. "Ultimately, this is about ensuring we are positioned to better deliver for people," the Secretary-General has noted.

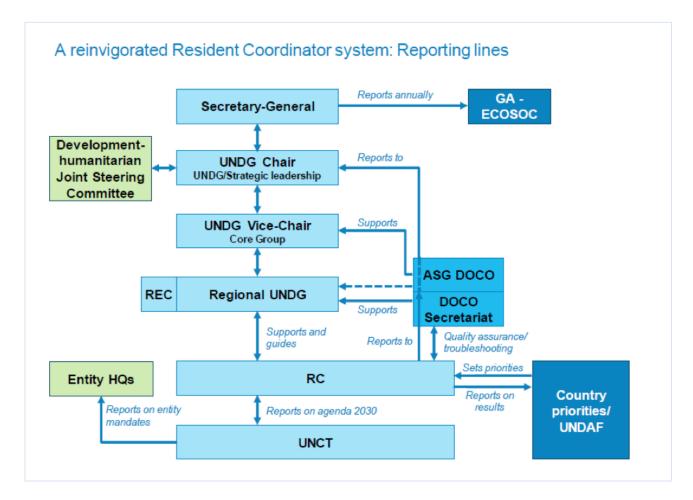
The UN development system is at a pivotal moment. Across the world, there is strengthen-

ing momentum behind the SDGs, as civil society support grows, the private sector recognizes the benefits of engaging, and more and more leaders put their political weight behind the 2030 Agenda, which has so much potential for so many people. Almost three years in, there is no time to lose in re-shaping the United Nations' capacity to deliver.

An approach geared for achieving the 2030 Agenda

The repositioning of the UN development system will ensure the system can provide the assistance that countries are asking for—and that people need—in the most effective and efficient possible manner.

This requires a suite of changes in the way things are done, from the field level to UN Headquarters:



Backgrounder 2

At the country level: A new generation of UN country teams, centered around a strategic country plan-developed in close consultation with governments—and led by an impartial, independent and empowered UN Resident Coordinator will allow Member States to guide systemwide actions and bring greater transparency and accountability for results, underpinned by robust independent system-wide evaluations. Country Teams will provide greater cohesion, accountability and leadership and will maximize opportunities for interagency planning and the establishment of common back offices for operational and administrative functions. Members of the UN Country Teams will report to both their agencies and the Resident Coordinators.

At the regional level: A coordinated, reprofiled and restructured regional approach will fully support the work on the ground. The regional level must offer a convening platform and deliver integrated policy advice, normative and technical support on regional priorities. Reprofiling and repositioning the work of our Regional Economic Commissions is therefore a priority, as well as strengthening the linkages between these Commissions and the broader UN family at the regional and country levels.

Funding: A Funding Compact will bring better quality, quantity and predictability of resources in exchange for accelerated repositioning and enhanced capacities of the system to deliver on the 2030 Agenda, with increased transparency and accountability for results. Specific targets of mutual accountability are being defined in a dialogue with Member States, to offer a realistic way to start reversing the funding trends that have led to a highly-fragmented funding base of the UN development system.

Partnership: Steps will also be taken for a stronger UN institutional response and systemwide approach to partnerships for the 2030

Agenda. An immediate priority will be strengthening the capacity of UN country teams and teams at headquarters responsible for partnerships to step up the organization's engagement with civil society, the private sector, international financial institutions and others. Partnerships will make or break the 2030 Agenda and the United Nations capacities need to reflect this reality.

Accountability: While primary accountability remains at the country-level, between the UN country teams and host governments, improving multilateral oversight of system-wide activities of the UN development system is essential. The Economic and Social Council (ECOSOC) and entity Executive Boards are working to strengthen and ensure coherent decision-making and guidance for collective action by the UN development system.

What is next?

The UN development system is moving forward with the implementation of all mandates of the repositioning of the United Nations development system. The full change process could be completed within two to four years. Critical aspects of the repositioning process—including the establishment of a new generation of UN Country Teams and reinvigorated RC system—will be operational in 2019.

The transition period is being designed to ensure that the change process is smooth and well sequenced and minimizes disruption. It will be an open and transparent process, in consultation with Member States, UN entities and other stakeholders. The Secretary-General will report to the Economic and Social Council on the progress at the 2019 ECOSOC Segment on Operational Activities and to the 74th session of the General Assembly. He will also lead on the development of an implementation plan for the new Resident Coordinator system, which will be presented to Member States by mid-September 2018.

Backgrounder 3



AND PEACE ON A HEALTHY PLANET

UNITED NATIONS DEVELOPMENT SYSTEM REPOSITIONING

Frequently Asked Questions

Q1: Why is the Secretary-General proposing to reposition the United Nations development system?

The Secretary–General is responding to the mandates of General Assembly resolution 71/243 on the Quadrennial Comprehensive Policy Review (QCPR). In doing so, the Secretary–General has released two consecutive reports in June and December 2017.

His reports set out the major changes required to ensure a more coherent, accountable and effective support to the 2030 Agenda for Sustainable Development by the UN development system.

The Secretary-General is convinced that the 2030 Agenda for Sustainable Development represents an imperative for change for the United Nations. Significant changes in the set up, leadership, accountability mechanisms and capacities of the UN development system are required to ensure it is positioned to provide countries with the support they need to achieve the Sustainable Development Goals as well as meet the Paris commitments on climate change.

The repositioning of the United Nations development system is part of the broader efforts launched by the Secretary-General on taking office to transform the United Nations with prevention at the centre.

Q2: What are the key proposals of the Secretary-General'?

The Secretary-General proposed seven key areas for transformation:

- A new generation of UN Country Teams (UNCTs), demand-driven, with enhanced skillsets and tailored to meet the specific development priorities and needs of countries.
- A reinvigorated Resident Coordinator (RC) system. RCs will have sustainable development in their DNA, with stronger capacity, leadership, accountability and impartiality.
- A coordinated, reprofiled and restructured regional approach to better support work on the ground.
- 4. Renewed spaces for Member States to guide system-wide actions and ensure greater coherence, transparency and accountability for results, underpinned by independent system-wide evaluations.
- 5. A stronger UN institutional response and system-wide approach to partnerships for the 2030 Agenda.
- A Funding Compact to bring better quality, quantity and predictability of resources, increased spending transparency and accountability for system-wide results to deliver on the 2030 Agenda.

7. Concrete steps to accelerate the system's alignment to the 2030 Agenda, through a system-wide strategic document developed by the United Nations Sustainable Development Group (UNSDG) in response to a specific QCPR mandate.

Taken together, the proposed changes offer a bold but realistic way forward. This is a mutually reinforcing, indivisible package. All proposals respond to three key principles: reinforcing national ownership; developing country-contextual responses; and ensuring effective delivery of development results on the ground.

Q3: What have Member States decided?

Member States supported the vision and direction of the package of proposals by the Secretary-General. Specifically, the General Assembly has:

- Approved the proposed measures to reinvigorate the RC system;
- Endorsed the proposed approach for a new generation of UNCTs, including the use of indicative criteria to help inform countrylevel presence of the UNDS, and the advancement of common business operations, including common back offices and common premises";
- Agreed with the proposed phased approach for the revamping of the UNDS' regional approach;
- Considered the proposals on Economic and Social Council (ECOSOC) and on the Executive Boards of the New York-based entities of the UNDS for follow-up in the relevant intergovernmental processes;
- 5. Welcomed the Funding Compact.

In other areas of transformation, including critical areas of work on partnership, the Secretary-

General's proposals will be advanced under existing mandates. The Secretary-General will ensure that the UNDS takes forward all possible measures to strengthen its support to the 2030 Agenda.

Q4: What is the timeframe for the implementation of the proposed change measures?

The full change process could be completed within two to four years. Critical aspects of the repositioning process—including the establishment of a new generation of UN Country Teams and reinvigorated RC system—will be operational in 2019.

Steps are being taken to ensure that this change process is smooth and well sequenced and minimizes disruption. The Secretary-General is establishing a transition team to work in an inclusive and transparent manner to prepare the full implementation of all change measures, including for the UN development system.

Q5: The Secretary-General stated that the measures for change form a mutually reinforcing, indivisible package. What is meant by that?

The changes proposed by the Secretary–General and adopted by Member States are meant to reinforce themselves, with an ultimate focus on improving country–level delivery of results. If taken in isolation, these measures may not lead to the expected results – in some cases, a piecemeal implementation could even lead to negative, unintended consequences.

Of particular importance is ensuring the integral quality related to a cohesive new generation of UNCTs. Separating the functions of the RC from the UN Development Programme (UNDP) Representative will only lead to trans-

formative change if accompanied by robust measures to strengthen the authorities, mechanisms and resources of RCs.

Changes proposed to the ECOSOC and other governing bodies of the United Nations will rely on the system's enhanced capacity to report—and be held accountable—on system—wide action. More flexible and predictable funding underpins all efforts.

Repositioning the UNDS also reinforces the impact of concurrent reforms of internal management and the peace and security architecture.

Q6: How will the reinvigorated Resident Coordinator system be funded?

The repositioning of the UNDS will require a step change in its coordination system. This will require a more robust, and adequately funded, RC function.

Our development coordination function is vastly underfunded today. In many countries, RCs lack the basic staffing capacities to credibly lead the sustainable development activities of the United Nations.

This creates a significant gap between the resolutions of Member States to advance sustainable development and poverty eradication—and the actual resources to help make those resolutions a reality on the ground. The lack of predictable funding for coordination is a serious challenge to RCs and UNCTs.

That is why the Secretary-General had recommended that Member States consider funding the core capacities of the RC system through assessed contributions. While the General Assembly could not achieve consensus on the full funding the RC system through assessed contributions, it has proposed a hybrid funding

formula that could provide a sufficient level of predictability moving forward. It includes cost-sharing amongst UN entities, a levy on donor contributions to UNDS projects and voluntary contributions.

The continued commitment and immediate support by Member States will be critical to ensure sufficient resources are made available in the course of 2018 for the RC system to hit the ground running on 1 January 2019.

A more robust coordination function—at only about 1 per cent of the annual contributions for operational activities for development—will bring value for money.

Q7: What is the proposed Funding Compact?

The Funding Compact is intended as a tool of mutual commitment and accountability between the UNDS and Member States. As such, it can only be the product of a genuine partnership.

The specific proposals and targets advanced by the Secretary-General in his December report were devised further to extensive analysis of funding trends and intensive dialogue with all Member States and other partners. They offer a realistic way to start reversing, within a few years, the funding trends that have led to a highly-fragmented funding base within the UNDS. These mutual-accountability commitments and targets will now be further discussed and agreed upon in a dialogue with Member States in the course of 2018. This Funding Dialogue will be held ahead of the ECOSOC Operational Activities segment in 2019.

The UN's request focuses on a call for more core funding to individual entities, and a greater share of pooled funds for system-wide activities. This includes the full capitalization of the new

Frequently Asked Questions 3

Joint Fund for Agenda 2030 at \$290 million per annum; and a quantum leap in funding to the Peacebuilding Fund. The UN's commitment is, among others, to undertake a series of measures that will improve the transparency and accountability of the UNDS, including through enhanced access to financial data on resources entrusted to the system; and independent system-wide evaluations for credible assessment of results.

Q8: What is the relation between the repositioning of the UNDS and the reform of the Department of Economic and Social Affairs (DESA)?

The DESA reform process follows a specific mandate, emanating from General Assembly Resolution A/70/299, which is parallel to the Quadrennial Comprehensive Policy Review.

These processes are nonetheless interrelated. An effective repositioning of the United Nations development system relies greatly on a strengthened and more efficient DESA, as the United Nations entity with primary responsibility for development policy and support to intergovernmental processes at the global level. It is therefore critical that both repositioning processes lead to coherent outcomes.

The Secretary-General has therefore entrusted the new leadership of DESA to strengthen and better align its work streams that provide support to intergovernmental processes for the review and follow-up of the 2030 Agenda and the Addis Ababa Action Agenda; and step up its capacities for policy analysis and knowledge production. A key step towards a repositioned DESA has been the appointment of a Chief Economist, which reflects the reprioritization of economics and finance for development and strengthens the system's policy capacities in these areas.

Q9: What is the rationale for proceeding in two steps to improve the United Nations work at the regional level?

There is an evident need for a deep transformation of the United Nations regional architecture to perform the functions required by the 2030 Agenda. The regional level must offer a convening platform and deliver integrated policy advice, normative support and technical capacity on regional priorities.

A review commissioned by the Secretary-General in the second semester of 2017 has revealed that the system possesses significant assets at the regional level, which need to be deployed in a more effective and efficient manner.

The regional presence is diverse across regions, and scattered within each region. This brings additional complexity in considering the costs and benefits of other far-reaching structural changes. The General Assembly has therefore decided to endorse the Secretary-General's proposal to proceed in two-steps: optimizing, immediately, the existing United Nations regional assets; while assessing in greater detail the options for bolder restructuring in the medium term. In doing so, it is possible to ensure continued ambition while thoroughly considering the implications of change.

Q10: What is the role of governance in support of change?

As part of efforts to reposition the UNDS, the QCPR stressed the need to improve its governance to become more coherent, transparent, responsive and effective.

Increasing system-wide accountability to Member States—from UNCTs to host governments, but also from the UNDS to Member States in New York—will require intergovernmental space to be created for more effective horizontal oversight and coordination, increased transparency and more consistent engagement with Member States on the system's collective performance.

Reforms of intergovernmental bodies are nonetheless the strict prerogative of the Member States.

Q11: Why were some changes already made in 2017 to mechanisms such as the UNDG, while the repositioning process was still unfolding?

Two years into the 2030 Agenda, there is no time to lose in repositioning the UNDS. The early actions already taken by the Secretary–General were meant to have a positive systemic impact in terms of the United Nations' capacity to support the 2030 Agenda, within existing resources and mandates.

The renewal of the UNSDG for example, was a critical step to enhance strategic direction, impartial oversight and accountability to

the system's in-country contribution to the 2030 Agenda. A Joint Steering Committee to advance Humanitarian and Development Collaboration was also created to bring solutions, at scale, to challenges faced by countries and UNCTs at the outset of a shock or in situations of protracted crises. Operating under the chairmanship of the Deputy Secretary-General, both mechanisms rely on strong operational leadership by the respective Vice-Chairs.

Specifically, the UNDP Administrator serves as the Vice-Chair of the UNSDG, with critical functions in leading a Core Group of UNDG entities that ensures operational coordination and coherence and programmatic support to UNCTs, under the strategic guidance of the full UNSDG. The Emergency Relief Coordinator and the UNDP Administrator serve as Vice-Chairs, leading a joint support team in service of the Joint Steering Committee.