Provisional

2 August 2013

Original: English

#### **Economic and Social Council**

## **Substantive session of 2013**

Operational activities segment

## Provisional summary record of the 32nd meeting

Held at the Palais des Nations, Geneva, on Friday, 12 July 2013, at 10 a.m.

President: Mr. Hoxha (Vice-President).....(Albania)

# Contents

Operational activities of the United Nations for international development cooperation (continued)

- (a) Follow-up to policy recommendations of the General Assembly and the Council (*continued*)
- (b) Reports of the Executive Boards of the United Nations Development Programme/United Nations Population Fund, the United Nations Office for Project Services, the United Nations Children's Fund, the United Nations Entity for Gender Equality and the Empowerment of Women, and the World Food Programme (continued)
- (c) South-South cooperation for development (continued)

  General discussion

Corrections to this record should be submitted in one of the working languages. They should be set forth in a memorandum and also incorporated in a copy of the record. They should be sent *within one week of the date of this document* to the Editing Unit, room E.4108, Palais des Nations, Geneva.



In the absence of Mr. Osorio (Colombia), Mr. Hoxha (Albania), Vice-President, took the Chair

The meeting was called to order at 10.05 a.m.

Operational activities of the United Nations for international development cooperation (continued) (E/2013/4-A/67/708)

- (a) Follow-up to policy recommendations of the General Assembly and the Council (continued) (E/2013/87-A/68/97)
- (b) Reports of the Executive Boards of the United Nations Development Programme/United Nations Population Fund, the United Nations Office for Project Services, the United Nations Children's Fund, the United Nations Entity for Gender Equality and the Empowerment of Women and the World Food Programme (continued) (E/2012/35, E/2013/5\*, E/2013/6\*, E/2013/14, E/2013/34 (Part I), E/2013/34 (Part I), E/2013/34 (Part II), E/2013/34 (Part II), E/2013/34, E/2013/36, E/2013/48 and E/2013/L.12)
- (c) South-South cooperation for development (continued)

General discussion

The President invited the Council to begin its general discussion of the operational activities of the United Nations for international development cooperation.

**Ms. Khatri** (Observer for Fiji), speaking on behalf of the Group of 77 and China, said that the United Nations development system must provide Member States with a consistent and unified framework that included input from programme countries for monitoring the implementation of General Assembly resolution 67/226. It was regrettable that Member States had not been consulted on monitoring the action plan drafted by the United Nations Development Group. It was equally unfortunate that the policy document containing proposals on the piloting of system-wide evaluations had been made available too late to allow for assessment by Member States.

It was clear that earmarking of non-core funding increased costs for the United Nations system and hindered attempts to forge a coordinated approach to development. The system needed to be focused more on fostering and using national capacities and local expertise in programme countries. Steps must be taken to make sure that resident coordinators with dual roles were able to fully carry out their primary functions. The mandate to achieve efficiency was not an end in itself, but rather should contribute to meeting development goals. Particular attention should be paid to the implementation of projects developed in the framework of South-South cooperation.

Mr. Paulauskas (Observer for Lithuania), speaking on behalf of the European Union and the candidate countries Turkey, the former Yugoslav Republic of Macedonia, Montenegro, Iceland, Serbia, Albania, Ukraine, the Republic of Moldova and Georgia, urged all funds, programmes and specialized agencies to implement the standard operating procedures drafted by the United Nations Development Group for countries wishing to adopt the "Delivering as One" approach by the end of 2013. The European Union called for full implementation of the management and accountability framework outlined in the quadrennial comprehensive policy review and clear reporting on progress in following up on the recommendations emanating from the review.

Non-core resources were complementary to core resources, which were the financial bedrock for United Nations development agencies. Priority should be given to securing non-core resources that were flexible and less earmarked. The principles established at the

Fourth High-Level Forum on Aid Effectiveness in Busan in 2011 should guide Member States in their approach to funding.

Ms. Chartres (Observer for Australia), also speaking on behalf of Canada, said that monitoring of the quadrennial comprehensive policy review implementation should be as streamlined as possible. Although core funding was fundamental, it should be accepted that non-core funding would continue to constitute a large portion of the resources available to the United Nations. Member States and United Nations agencies needed to engage in a frank dialogue about how to make the best use of non-core resources. The proposed cost-sharing arrangement for the resident coordinator system was welcome, as were the standard operating procedures devised by the United Nations Development Group, but more guidance was needed on how to establish common services across United Nations country teams. The system-wide action plan on gender equality and the empowerment of women and girls was a welcome development, but the failure to include adequate disaggregated data in United Nations Development Assistance Framework action plans was a source of concern. Gender issues and consideration of the needs of people with disabilities needed to be mainstreamed in United Nations development system planning.

Ms. Madrigal (Cuba), speaking on behalf of the Community of Latin American and Caribbean States, said that greater cohesion was needed between the mandates established under the quadrennial comprehensive policy review and the strategic frameworks of United Nations agencies. Defining the concept of "critical mass" in relation to core resources was of paramount importance. Efforts to make the United Nations Office for South-South Cooperation more effective would be welcome, and development agencies should take greater account of South-South cooperation projects in their planning. Cutbacks in country teams and the shrinking presence of development agencies, particularly in Latin American and Caribbean countries, undermined the principle of universality and could be the undoing of much that had already been achieved in development.

**Ms. Fladby** (Observer for Norway) said that it appeared that the amount of funding agreed upon by development agencies to finance the activities of resident coordinators could prove inadequate. In order to boost core funding, the donor base should be broadened. The draft monitoring framework for tracking progress with the implementation of the quadrennial comprehensive policy review process appeared to be unsuitable in some respects. Suggested indicators on gender equality, for instance, appeared to be inadequate. At the same time, the sheer number of indicators was excessive. The framework was not wholly consistent with the United Nations Development Group action plan.

**Mr. Kononuchenko** (Russian Federation) said that reform of United Nations operational activities would be facilitated by timely publication of the relevant reports. It was a source of concern that some development agencies appeared to put their own concerns and priorities before the real needs of the countries that they were supposed to help. Competition between relief agencies to provide humanitarian aid in times of crisis was unacceptable. It was equally unacceptable that certain development agencies competed to provide assistance in the area of gender equality, particularly since the establishment of UN-Women. The duties of agencies should be defined strictly in keeping with their mandates and agencies' planning cycles should be synchronized with national programmes.

His Government would like to know more about what plans were being made to improve coordination regarding the transition from humanitarian aid to development assistance, to establish combined technical service centres at the country and regional level, and to finalize a definition of "critical mass". It supported the continued presence of resident coordinators in programme countries and took note of proposed changes in funding methods for them. It was noteworthy that many programme countries preferred not to employ the "Delivering as One" model in its entirety, but made use only of those elements, such as unified management of agencies, that they viewed as beneficial. His Government

GE.13-61826 3

called for closer ties to be forged between the United Nations regional economic commissions and development agencies.

**Ms. Nicod** (Observer for Switzerland) called on the Economic and Social Council to organize more effective sessions and said that its oversight role should be enhanced. All United Nations development agencies should implement the standard operating procedures devised by the United Nations Development Group by the end of 2013. United Nations governing bodies should be urged to utilize the proposed cost-sharing arrangement in 2014 in order to provide adequate resources for resident coordinators. Headquarters of funds and agencies should support resident coordinators more actively.

More needed to be done to improve interoperability and to reduce coordination costs. In order to remedy the shortfall in core financing, the funds and agencies needed to define common principles in relation to the concept of "critical mass". They could learn from the experience of international financial institutions and vertical funds in their dealings with donors. An effective monitoring and reporting framework, together with a set of common indicators, would prove crucial in allowing the Council and Member States to contribute to the reinforcement of the United Nations operational activities. Those United Nations entities, including four special agencies, that had not yet done so should align their planning cycles with the quadrennial comprehensive policy review.

**Ms. Robl** (United States of America) applauded the efforts of the United Nations development system to carry out the reforms mandated in the quadrennial comprehensive policy review. She asked how the proposed system-wide evaluation mechanism could meet existing needs without duplication of efforts and wasting of resources. She took note of efforts by all agencies to rein in costs and said that the United States recognized that both core and non-core funding were vital to the financial stability of agencies and their ability to deliver results.

She welcomed the increase in the number of self-financed development projects, which accounted for a growing percentage of agencies' non-core funding and reflected a widening of the donor pool. Agencies must consistently demonstrate that they were using public resources as efficiently and effectively as possible, and the role of the resident coordinator system should be enhanced to ensure greater effectiveness and integration in the field. She encouraged agencies to consider candidates from outside the United Nations development system who might have relevant experience in such areas as crisis management or humanitarian assistance.

**Ms. Tinangon** (Indonesia) welcomed the fact that United Nations entities consulted Member States while formulating strategic plans for implementation of the quadrennial comprehensive policy review mandates. Effective monitoring and comprehensive evaluation mechanisms would also be needed.

United Nations entities should focus on poverty reduction, mainstream sustainable development in all their programmes and increase support for capacity-building in recipient countries. They must also explore the links between the social, economic and environmental dimensions of sustainable development. Further strengthening of core funding must be assured and the imbalance between core and non-core resources redressed.

Mr. Favero (Brazil) said that annual allocations for the United Nations development system paled in comparison to global military spending; stakeholders must explore better ways to fund peace. Poverty eradication should be the primary goal of the 2014–2017 strategic plans of United Nations entities. Moreover, South-South cooperation, the avoidance of a one-size-fits-all approach and the involvement of all Members States in decision-making must become features of the development system's work. Predictable and untied funding was needed to achieve a balance between core and non-core resources and equip the system to deliver. Incentives must be provided to secure core contributions. He

announced that the review of General Assembly resolution 61/16, on strengthening of the Economic and Social Council, was expected to be concluded in due course.

**Mr. Popov** (Belarus) drew attention to the problem of diminishing core resources and the need to expand the donor base. He called for the establishment of inter-agency mechanisms to cooperate with middle-income countries on achieving sustainable development. He commended UN-Women on its work and called on the United Nations development system to support global initiatives, such as the United Nations Global Plan of Action to Combat Trafficking in Persons more actively, by incorporating them in its programmes.

Ms. Chakrabarti (India) said that the United Nations development system should focus solely on development and maintain poverty reduction as its overriding concern. It should also focus on institutional capacity-building, although there was little evidence of support for it among industrialized countries. The entities in the system must be given the flexibility to respond to the needs of developing countries and to harmonize their programmes with the budgetary and planning cycles of recipient Governments. Development assistance should be provided without conditions and national ownership and leadership and respect for national development priorities must be the linchpins of United Nations development efforts. Much remained to be done to optimize South-South cooperation, and the United Nations development system should foster national and local capacities in that regard.

**Ms. Kuko** (Albania) welcomed the standard operating procedures for developed countries wishing to adopt the "Delivering as One" approach and said that common targets and indicators should be used to apply them. All funds, programmes and specialized agencies should implement the agreement on supporting the resident coordinator system and an accountability framework should be incorporated into the system.

Mr. Bairagi (Nepal) said that the United Nations development system must respond to countries' needs and priorities and encourage national ownership and leadership of all project phases, bearing in mind that a "one-size-fits-all" approach was counterproductive. He expressed concern about the continued decline of core contributions and the growing imbalance between core and non-core resources. He said that core and non-core resources should be fully aligned with strategic operational priorities. All financial contributions for United Nations activities at the country level should be consolidated under a common budgetary framework. The United Nations development system should harmonize its regulations, policies and procedures in the areas of finance, human resources, procurement, information technology management and administrative services. He welcomed the establishment of an interim coordination mechanism for system-wide evaluation and called for a robust accountability mechanism for recipient countries and development partners. The potential of South-South cooperation should be fully harnessed as a complement to North-South cooperation.

Mr. Nkombela (South Africa) said that the activities of the United Nations development system must be directly relevant to national priorities. Adequate, predictable and stable funding must be provided and the issue of critical mass in respect of core resources must be addressed. Core resources could not continue to be used to subsidize non-core activities. Since effective country-level coordination between Governments and the United Nations development system was crucial to development efforts, the resident coordinator system should be strengthened. Although it was necessary to harmonize business practices, cost-saving measures should not be used as a justification for cutting support to countries. Capacity-building and South-South and triangular cooperation should be pursued more actively.

GE.13-61826 5

**Mr. Mushy** (Observer for the United Republic of Tanzania) said that his Government could testify to the "Delivering as One" initiative did lead to the more efficient use of resources at the country level. He called for a similar approach to be taken by the head offices of United Nations agencies, funds and programmes. His country had been one of the first to put in place a United Nations development assistance plan, which was aligned with national development priorities and the budget cycle. The plan had been a valuable tool for mobilizing resources and he urged the International community to contribute more to coordination of development activities at the country level. In that connection, the resident coordinator system should be adequately funded.

**Mr. Song** Shangzhe (China) said that the United Nations development system should support national development efforts, place poverty eradication at the heart of its activities, support the least developed countries, foster South-South cooperation and streamline its business practices. He urged donors to increase core contributions and improve the quality of non-core funding. Developed countries should shoulder most of the responsibility for development financing and the recruitment, assessment and accountability of resident coordinators should be regulated.

Ms. Pi (Observer for Uruguay) said that the adoption of the model "Delivering as One" in her country had led to greater coherence in the work of the Government and in cooperative activities with United Nations agencies. The use of the model had facilitated efforts to align the strategic plans of United Nations agencies with national priorities and budgetary cycles. Programmes were now geared to real needs, resources were being channelled more effectively, and there was a better division of tasks. The result was expected to be a significant improvement in the long-term impact of development activities. Predictable, multi-year, sustained and non-earmarked funding would be needed, however, to ensure the successful application of the model. A country's level of development could not be defined solely on the basis of per capita income. A more sophisticated set of criteria needed to be developed which took into account all the variables and countries' specific needs and challenges.

**Mr. Rodriguez Nicolat** (Mexico) said that implementation of the quadrennial comprehensive policy review process would enhance United Nations operational activities for development and help to ensure that environmental sustainability, gender and disability issues were integrated into the development agenda. The coordinating role of the Economic and Social Council would be strengthened and cooperation for development mechanisms reinforced.

Challenges to effective implementation of the review included the continued fragmentation of monitoring, evaluation and other activities and a lack of resources for coordination. General Assembly resolution 67/226 and the action plan adopted by the United Nations Development Group marked a step towards overcoming those challenges. Member States and all relevant United Nations entities should follow the guidelines in the United Nations Development Assistance Frameworks (UNDAFs) and full alignment with government planning cycles should be ensured. Implementation of the quadrennial comprehensive policy review must begin at the highest levels of strategic planning and cost-sharing mechanisms for resident coordinators should be established.

**Mr. Koppers** (Observer for Germany) said that the new standard operating procedures regarding the "Delivering as One" model must be adhered to by the entire United Nations development system.

The agreement on a cost-sharing formula for the resident coordinator system was an important step forward but the drastic cut of US\$ 11 million per year in the amounts to be cost-shared was a cause for concern. Robust frameworks for assessing the impact of United Nations operational activities for development were welcome and should enhance

accountability. On the subject of harmonizing business practices, he said that procurement activities in United Nations operations were highly fragmented, the United Nations should establish joint procurement procedures.

**Mr. Talab Tousi** (Observer for the Islamic Republic of Iran) said that the principle of country ownership should be adhered to at all levels of programming for development and capacity-building efforts should be stepped up to enable countries to tackle their own development challenges. The imbalance between core and non-core funding needed to be addressed and development activities tailored to the needs of programme countries. A coherent monitoring framework must be developed to assess the impact of the United Nations development system in developing countries.

**Mr. Achergui** (Observer for Morocco) said that continued efforts should be made to secure a critical mass of core funding. His Government was applying the "Delivering as One" model, though not as a formal participating country. The UNDAF for Morocco included a joint action plan and measures to strengthen joint programming between United Nations entities in the country. His Government supported South-South and triangular cooperation mechanisms.

**Ms. Bibalou** (Gabon) said that her country's UNDAF for 2012–2016 included a gender and human-rights components and was designed to support the Government's development efforts, improve the country's statistical apparatus, ensure that progress on the Millennium Development Goals was better monitored and support local entrepreneurship. With United Nations support, Gabon had reduced maternal and child mortality rates and increased the rate of national immunization coverage. Mass data-collection procedures had been improved, together with processes for developing strategic guidance frameworks.

## Draft resolution E/2013/L.17

The President drew attention to draft resolution E/2013/L.17, entitled "Progress in the implementation of General Assembly resolution 67/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system". He informed the Council that the draft resolution contained no programme budget implications. Before inviting the Council to adopt the draft resolution, he suggested that the word "publication", in paragraph 6, should be replaced with the word "report".

Draft resolution E/2013/L.17, as orally amended, was adopted.

Decision on documentation submitted under agenda item 3

The President directed the Council's attention to the report contained in document A/68/97–E/2013/87; the Secretary-General's report on the implementation of General Assembly resolution 67/226, which had been circulated by the Secretariat in an informal paper; the note by the Secretary-General transmitting the report on policy for independent system-wide evaluation of operational activities for development of the United Nations system, which had been circulated by the Secretariat in an informal paper; the reports contained in documents E/2012/35, E/2013/5, E/2013/6, E/2013/14, E/2013/34 (Part I)/Add.1, E/2013/34 (Part II), E/2013/34/Rev.1 and E/2013/36; the extract from the report of the Executive Board of the United Nations Children's Fund on its 2013 annual session: decisions adopted by the Executive Board at its annual session of 2013 (E/2013/L.12); and the note by the Secretariat on the operational activities of UN-Women (E/2013/48). The President suggested that the Council should take note of the aforementioned documents.

It was so decided.

GE.13-61826 7

Decision on documentation submitted under agenda item 3 (c)

**The President** reminded the Council that the eighteenth session of the High-level Committee on South-South Cooperation had been postponed until 2014 and that the relevant report was therefore not available. If he heard no objection, he would take it that the Council wished to defer its consideration of the report to a session in 2014.

It was so decided.

Closing remarks

**The President**, summing up the key messages that had emerged from the discussions said that the United Nations development system must adapt to the changing development environment and reflect seriously on its future role. The focus of its work should shift from projects to national capacity-building. Work on the Millennium Development Goals should continue and poverty reduction should remain a core task of the system. The principle of system-wide coherence should underpin all reform systems. States held a responsibility to implement General Assembly resolution 67/226 and the specialized agencies must approach implementation with the same level of commitment as funds and programmes.

A number of important steps had already been taken to implement the resolution, and States wanted to see more action taken to strengthen national institutions' capacities; harmonize business practices; simplify country-programming processes; apply the "Delivering as One" approach; improve reporting on expenditure at the country level; streamline system-wide results reporting; reduce unnecessary competition for funds at the country level; and strengthen the role of the United Nations resident coordinators. A comprehensive framework should furthermore be developed for Member States to monitor progress on implementation of General Assembly resolution 67/226.

Member States had appealed for a United Nations system that was fully aligned to their national needs and priorities and that functioned as a unified whole. He was confident that the United Nations development system would meet those high standards.

The meeting rose at 12.40 p.m.