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Operational activities for development segment

Summary record of the 12th meeting
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President: Mr. Palma Cerna (Vice-President) .... (Honduras)

Contents

In the absence of Mr. Oh Joon (Republic of Korea), Mr. Palma Cerna (Honduras), Vice-President, took the Chair.

The meeting was called to order at 3.15 p.m.

Agenda item 7: Operational activities of the United Nations for international development cooperation (*continued*) (A/71/63-E/2016/8)

(a) Follow-up to policy recommendations of the General Assembly and the Council (*continued*)

Panel discussion: "Organizational arrangements: How to strengthen inter-agency collaboration in organizational presence at country, subregional and regional levels?"

1. **Ms. Guevara** (Vice-President of the Republic of Honduras), delivering the keynote address, said that if the United Nations did not exist, it would have to be invented. But what it really needed was to be reinvented and reinvigorated. Honduras was host to nine country offices with combined core resources of $9 million; by Latin American standards, its ratio of earmarked resources to core resources was relatively high. Total United Nations operational activities for development amounted to less than 10 per cent of official development assistance.

2. Although it was a lower middle-income country with natural resources, a strategic location in Central America and strong potential for tourism, Honduras faced complex development challenges. More than two thirds of the population lived in poverty and half suffered from extreme poverty. Honduras received only modest official development assistance and had to rely on domestic resource mobilization and international private flows to finance its development. However, Honduras was implementing many important projects with United Nations support. It had recently become one of seven pilot countries participating in the regional programme "Strengthening the Capacity of Select Developing Countries to Mainstream Sustainable Development into National Development Strategies" of the Department of Economic and Social Affairs. With regard to development cooperation, quality was as important as quantity. That approach placed her Government in the driving seat and ensured that local priorities were taken into account, the main priority being national capacity-building.

3. Differentiated technical assistance should be of high quality and implemented in an equitable and inclusive manner in support of government efforts to empower excluded and vulnerable groups. Unfortunately, the development work of the United Nations was sometimes fragmented. Unrepresentative governance and unpredictable funding had created challenges for operational effectiveness across the system, and cooperation between organizations had been hindered by competition for funding, mission creep and outdated business practices.

4. Honduras was not a "Delivering as one" country but that should not prevent the United Nations from addressing cross-cutting development challenges in an integrated manner. It was also affected by high levels of crime, violence and narcotics trafficking. Homicide rates had been persistently high but the trend was currently downward. Her country also had to cope with infant and child mortality, vulnerability to global economic shocks and climate change. In particular, El Niño had caused two successive years of drought and threatened the country's food security, with the risk that development gains might be reversed. The bark beetle had caused the loss of 112,000 hectares of pine forests, threatening the health, economy and survival of the country. Furthermore, after dengue fever and the chikungunya virus, Honduras was affected by the Zika virus, which it did not know how to control because of the lack of available scientific studies.

5. One of the great development challenges of the day was how to develop a strategy for what the United Nations should do in middle-income countries, which were home to 70 per cent of the world's poor. While the United Nations focused on its normative role and leveraged other actors, a greater multisectoral capacity to collect data and translate it into normative and policy advice would help to meeting the needs of each middle-income country and ultimately facilitate exchanges of knowledge, South-South and triangular cooperation, and enable middle-income countries to graduate. That did not necessarily mean acceding to high-income status. Honduras had adopted the Multidimensional Poverty Index as a more comprehensive and effective method for measuring unmet basic needs. The Index was unique in that it also took into account sociocultural factors. The most appropriate measure of poverty was one used to evaluate the effectiveness of social policies and focus efforts and resources.

6. The time had come for the United Nations to reflect on how it could be organizationally fit for the next 15 years. Horizontal interconnectedness required interconnected institutions through revitalized organizational and governance arrangements which in turn required political will, funding and leadership. Accordingly, the United Nations development system needed a road map, including a timeline for setting up mechanisms to implement changes and prevent setbacks from turning into obstacles. There was therefore a need for radical reform based on an inspirational vision paired with pragmatic and sequenced steps. The status quo was not an option. The United Nations development system had reached the limits of what it could do to reform itself. Member States should therefore take the lead by making the quadrennial comprehensive policy review a strategic tool to provide direction and a mandate to the United Nations development system. The Economic and Social Council had a critical role to play in shaping the framework in which that system would operate.

7. Confronting the challenges ahead was a social, economic, political and moral imperative. All Member States, and developed countries in particular, should work to achieve the Sustainable Development Goals and address the impact of climate change within a framework of common but differentiated responsibilities. With the adoption of the 2030 Agenda, the entire world had acknowledged that global challenges required a common global effort; they must be tackled multilaterally or they would not be tackled at all. The wisest course was to adapt the United Nations to changed realities so that it could safeguard the future.

8. **Mr. Nabarro** (Special Adviser to the Secretary-General on the 2030 Agenda for Sustainable Development), moderator, said that the 2030 Agenda was revolutionary and required Governments and people to cooperate in order to implement it. For that purpose, the international system needed to be renewed so that multilateral action would be appropriate for the task ahead. As a middle-income country, Honduras was facing social and climate-related challenges that had undermined recent gains in poverty reduction. It was looking to the United Nations system for support but believed that a different kind of United Nations action was necessary, namely, cross-cutting action in line with the 2030 Agenda with the capacity to react quickly to whatever situations developed, under the leadership of the Government.

9. **Ms. Bárcena** (Executive Secretary, United Nations Economic Commission for Latin America and the Caribbean (ECLAC)), panellist, said that the regional dimension should be incorporated into the quadrennial comprehensive policy review report. Achieving the objectives of an equality-centred agenda over the next 15 years would require a change in the style of development along with economic, social and industrial policies, which would need to be aligned with gradual structural changes. Business as usual was no longer an option; the regional commissions were preparing to adapt to that paradigm shift. The regional commissions had been designed over 60 years previously to generate new thinking on policy issues to ensure inclusive development with an integrated approach in which the economic, social and environmental dimensions interacted in their daily work. The regional commissions provided policy advice to Member States on the basis of normative analytical learning stemming from the experience of the countries served in each of the regions. They also worked with Governments on macroeconomics; fiscal policy; finance; and statistics and data collection. Finance ministries were cutting budgets and creative solutions were therefore needed to preserve social policies.

10. There was a need to build a universal, interdependent and integrated agenda involving universal approaches and the provision of services to least developed countries, landlocked developing countries, middle-income countries and small island developing States. In the Caribbean, ECLAC was working on a debt relief initiative to create a resilience fund for investment in adaptation projects. The Caribbean had an external debt of $42 billion because of natural disasters, but only $2 billion of multilateral public debt would be covered by the proposed debt relief, which should be regional and global. The regional commissions were intergovernmental bodies well suited to providing countries with a one-stop shop for policy advice and integration of the three dimensions of sustainable development. A shared vision supported by the Regional Coordination Mechanism established by the Council brought together all the funds, programmes and specialized agencies. The regional level was effective not only in leveraging capacity in support of country demands but also for forging consensus in the regions and making regional voices heard at the global level.

11. The pillars supporting the interdependence of all the dimensions of development were the integration of the Sustainable Development Goals into national development planning and fiscal frameworks; strengthened statistical capabilities for data collection, disaggregation and dissemination in the context of the data revolution; and means of implementation, inter alia through reductions in tax avoidance and illicit flows, and the leveraging of science and technology. Since technology transfers would not happen spontaneously, ECLAC was suggesting the purchase of patents which would then be donated to poor communities.

12. An enhanced regional architecture would involve establishing regional forums for sustainable development bringing together Member States, the United Nations Development Group and non-United Nations organizations. The implementation of the 2030 Agenda was taking place in a very complex economic and political context characterized by a downturn in the world economy, slowing trade, excessive liquidity and a lack of aggregated demand. Financial assets were not going to productive investment and inequality was growing. The richest 1 per cent had more than the rest of the world combined. The wealth of 62 individuals equalled the wealth of the bottom half of humanity. It was therefore time to rethink global governance, which should move towards collective Keynesianism, but it would have to be a global, environmental and sustainable-development Keynesianism. Member States should dwell on those reflections and consider the regional commissions as partners in carrying out creative destruction on the basis of a new coalition between the state, the market and civil society.

13. **Mr. Kelleher** (Senior Adviser, United Nations Relations and Partnerships, World Bank), panellist, said that the World Bank had a long and productive history with the United Nations system; it was part of that system while retaining a separate governance structure. The ambitious 2030 Agenda was a turning point for the development system, as Governments would not be able to accomplish the Sustainable Development Goals alone: country-level support from all partners was necessary to hold Governments accountable for the promises they had made in 2015. The work of individual institutions must be improved while enhancing seamless inter-agency collaboration.

14. The World Bank and the United Nations development system had already collaborated on dozens of initiatives. In 2008 they had signed the United Nations-World Bank Partnership Framework for Crisis and Post-Crisis Situations to help countries, people and institutions prevent and recover from conflict and crisis. The Fragility and Conflict Partnership Trust Fund, a multi-country and multi-donor trust fund, had also been established as a more sustainable international response to fragile and conflict situations. A strong relationship existed between the leaders of both the United Nations and the World Bank, allowing them to undertake joint work in areas affected by armed conflict, including the Sahel, the Great Lakes region, the Horn of Africa and the Middle East, in order to address ongoing economic and security challenges.

15. The two institutions had also cooperated on the joint implementation of global development goals. As work began on the Sustainable Development Goals, they had relied on the experience gained from the Millennium Development Goal (MDGs) Acceleration Framework, which had identified and remedied bottlenecks, promoted accountability and led to improved performance on MDG indicators. In the United Republic of Tanzania, for example, conditional cash transfer programmes had been enhanced by supplementary nutrition interventions and additional resource leveraging by the Tanzania Social Action Fund. By mid-2015, the project had achieved its goal of reaching 1 million households in the country.

16. The World Bank and the United Nations had also worked together to seek support from other partners and sectors, learning from the challenges of meeting the MDG deadline. In that process, the two institutions had discovered that the timeliness and effectiveness of policy instruments were critical for accelerating scale-up. Objective scientific evidence should be translated into local country context. The quality of public expenditure should also be improved, with a focus on high-impact programmes and the broad sharing of upstream technical advice. Synergies should be found to transcend policy and institutional silos.

17. Strong support from local Governments generally led to better progress. The World Bank had developed a strengthened country engagement model that would make joint goal setting more evidence-based and participatory, taking into account local needs. Quality data should be shared with all partners to set benchmarks, evaluate approaches and determine effectiveness. Data was one of the most powerful tools to end extreme poverty and promote accountability but in many low-income countries, data was lacking. The

World Bank had identified 29 countries without poverty data from 2002 to 2011, and another 28 countries that had conducted only one survey collecting poverty data during that same period. Better data was needed to design, implement and review work. The World Bank had recently pledged to establish household-level surveys in 78 of the world's poorest countries at least every three years. New technologies and public-private sector collaboration must be utilized. The cost of data collection was declining and there was growing support for open data, which was more inclusive and participatory for all.

18. The World Bank was an anchor partner of the Global Partnership for Sustainable Development Data, launched in September 2015. The private sector must play a role in poverty alleviation, especially under Sustainable Development Goal 1. Over the past decade, 90 per cent of the jobs created in developing nations had been created by the private sector. Jobs were the most effective way to help people escape poverty. The private sector was a core partner for sustainable development, not only in terms of job creation, but also in drawing the private capital that was vital for the attainment of the Sustainable Development Goals. However, as the private sector was constrained by fragility, conflict, informality, rural poverty and gender issues, such constraints must be tackled through an integrated cross-sectoral approach in accordance with the priorities of the United Nations.

19. The multilateral system that had been patched together over the previous 70 years was now struggling and required more than just a new coat of paint. Challenges like climate change, pandemics, natural disasters, economic instability and conflict were global in nature: rich and poor nations alike must face them. The global system of governance continued to be resilient and adaptive; if cooperation was emphasized, there was a much greater chance of achieving the Sustainable Development Goals and helping millions out of poverty.

20. **Mr. Nabarro** (Special Adviser to the Secretary-General on the 2030 Agenda for Sustainable Development) asked the panellists to expand upon the challenges facing the multilateral system and what changes should be made to country presence in order to garner more effective support for national actions.

21. **Ms. Bekele-Thomas** (Director, Office of the Chef de Cabinet, Executive Office of the Secretary-General), panellist, said that she had witnessed positive trends in the field, especially in terms of meaningfully aligning programmes and core values with national planning and budgeting processes, which was critical when trying to encourage national ownership and leadership. In Kenya, 27 United Nations agencies had worked together with the World Bank and the International Monetary Fund (IMF) to help formulate the country's medium-term plan and ensure that it embodied the core values of the United Nations, including humanitarian, human rights and peacebuilding dimensions Additional expertise and capacity-building would be necessary to support the national plan.

22. The United Nations Development Assistance Framework (UNDAF) for Kenya was specifically drafted to support the country's national development plan and had thus become part and parcel of the Government's programme. If the Government and the country at large believed in the development plan, by definition they also supported the UNDAF.

23. Governments and all entities should have a say in how to reallocate resources that had not been absorbed in implementing the UNDAF. The role of her Office was merely to push from behind and make sure that the correct values were embedded. In Kenya, one national plan and therefore one United Nations plan combined all aspects of development, including human rights, humanitarian issues and peacebuilding. It was necessary to have a common vision using shared data and common analysis and risk assessment. The UNDAF had consequently become a national partnership platform and coordination mechanism.

24. The private sector should be integrated into the process as an economic stakeholder. A population growth of 3.5 per cent per year meant that there would always be growing demand for basic needs such as health and education; consequently, the private sector could play an important role. The UNDAF was a compact that a Government signed with its citizens.

25. The 2030 Agenda for Sustainable Development was neither sectoral nor vertical and was embedded in most development plans. Her Office did not seek to reinvent the wheel, but merely to highlight priorities and monitor and evaluate results. It was crucial to disaggregate data at the county level; in a country like Kenya, every county had its own priorities, which should be reflected in the Sustainable Development Goals.

26. Regional bodies, the World Bank and others should work together to address the current challenges regarding data collection, analysis, monitoring and evaluation. Her Office had created a platform of philanthropic organizations and foundations to support the Sustainable Development Goals and help with the data revolution.

27. The mainstreaming of the Sustainable Development Goals was clear at national levels. Once a midterm plan was adopted, it was necessary to build the necessary infrastructure and to start mainstreaming and creating indicators, benchmarks and baselines. Not all indicators would be useful for all countries, or even all the counties within a country.

28. How work was conducted in country offices had changed. For example, when looking at cross-border issues, which were now sources of conflict and extremism, her Office tried to seal those borders with development. Recently, Kenya and Ethiopia had signed an agreement to address the needs of the communities around the Moyale border. Under the auspices of the Horn of Africa Initiative, peace had been restored in the region six months earlier.

29. **Ms. Nasr** (Minister of International Cooperation, Egypt), panellist, said that the 2030 Agenda was both ambitious and timely, especially in the Middle East and North African region; it was crucial, however, that it became a country agenda. Ownership, leadership and commitment at the highest levels were essential for achieving the Sustainable Development Goals. Extensive consultations should be held with Governments, the private sector, civil society, youth and parliamentarians. Ownership required reaching out to all stakeholders across all regions, especially in view of the vast differences in poverty and development between regions.

30. The 2030 Agenda required integrated solutions, rather than the piecemeal work of United Nations agencies with individual clients on specific topics. For example, gender issues had mainly been addressed by the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), despite the fact that there were many other agencies that dealt with sectors where gender was a cross-cutting theme, such as microfinance. Working together meant more than having meetings and joint conferences.

31. Funding practices must favour national priorities. In many cases, they catered instead to donor priorities. Sustainable commitment and ownership would follow only if tasks were demand-driven rather than donor-driven. It was also important to be responsive. As many countries went through policy uncertainties engendered by civil war, climate change, unrest and other risks, the United Nations system must adapt its strategies to changing situations on the ground.

32. It was important for the United Nations to provide capacity-building support to institutions for data collection, the development of policy tools and mechanisms for achieving the Sustainable Development Goals. The ambitious goals of the 2030 Agenda would require significant capacity-building, especially as many countries did not have institutions robust enough to implement the required changes and reforms. A more hands-on, integrated and cross-cutting approach was needed.

33. The United Nations must reach out more to bilateral and other institutions. The Organization must tap into sources of funding that could be found outside of the United Nations family, such as the African Development Bank. Donors should meet on a monthly basis to ensure complementarity in tasks. Scaling up was also important to ensure positive results in a timely manner. Governments could not deliver the Sustainable Development Goals alone; it was necessary to work closely as development partners with a clear mechanism on how to move forward.

34. **Mr. Nabarro** (Special Adviser to the Secretary-General on the 2030 Agenda for Sustainable Development) asked what obstacles were currently preventing regional issues from being fixed, and what recommendations could be made in that regard.

35. **Mr. Estreme** (Argentina) said that the regional commissions had an important part to play in regional monitoring and capacity-building within the context of the 2030 Agenda. That regional dimension was not sufficiently reflected in the document submitted for the quadrennial comprehensive policy review. One section did refer to regional mechanisms, but that was not enough. In Latin America and the Caribbean, the experience of monitoring and follow-up for the Millennium Development Goals had been very positive. The Economic Commission for Latin America and the Caribbean had produced excellent reports during that period.

36. The regional commissions also had a role to play in developing the sources of data needed to implement

the 2030 Agenda. That data should be sustainable over time and comparable between countries. Complementarity of effort between regional mechanisms and the regional offices of funds and programmes would be vital. He asked about cooperation and coordination mechanisms currently operating between the regional commission and other bodies. Regarding the means of implementation, the quadrennial comprehensive policy review was an opportunity to ensure flexibility and differentiation within the framework of a universal agenda.

37. **Mr. Charles** (Trinidad and Tobago), speaking on behalf of the Caribbean Community (CARICOM), said that the work of the United Nations development system at the regional and subregional levels would be a critical enabling factor supporting action at the national and local levels. For example, the office of the Economic Commission for Latin America and the Caribbean in Port of Spain had been providing capacity-building and technical assistance in the areas of data and statistics, with the cooperation of Governments and other agencies active in the field of development. There should therefore be more inter-agency coordination while respecting the individual mandate of each entity.

38. There was a role for both Governments and the United Nations system in ensuring that support was coordinated with regional and national priorities. UNDAFs were developed through broad-based consultation with country teams and other actors, including civil society. Unfortunately, in the CARICOM region, such consultation had often been conducted on an ad hoc basis with little opportunity for learning or the institutionalization of best practices. Within the context of implementing the 2030 Agenda, mapping of subregional and regional entities, including organizations outside the United Nations system, should be carried out in order to identify roles and mandates, thereby assisting inter-agency coordination and planning with specific and clear deliverables.

39. Given the unique vulnerabilities of small island developing States, which were compounded by the structural challenges of middle-income country classification, funding and the predictability of funding continued to be a serious challenge. It would be interesting to hear the views of the panel on the use of pooled funding and other best practices as a means of improving inter-agency coordination and delivery, in particular in the context of a possible regional UNDAF system.

40. **Mr. Kolehmainen** (Finland) said that he would welcome more information on lessons learned and success stories in joint programming, including joint planning and joint evaluations. He asked how shared service centres across agencies might enhance cooperation in the context of administrative services and enhance efficiency through joint procurement.

41. **Mr. Eichen** (Germany) said that the need for country-specific and differentiated answers from the United Nations system that reflected individual needs at the country level had implications for its organizational presence. Building on its comparative advantages, the United Nations development system had different roles in middle-income countries and least developed countries, and there were also specific needs in fragile contexts where the silos of peace and security, and humanitarian and development interventions, had to be overcome. He asked what the main organizational characteristics of the United Nations presence in those contexts would be.

42. **Mr. Waheed** (Observer for Maldives), speaking on behalf of the Alliance of Small Island States (AOSIS), said that the SIDS Accelerated Modalities of Action (SAMOA) Pathway (Samoa Pathway) required the United Nations to improve interregional and intraregional cooperation between small island developing States, inter alia in the context of institutional mechanisms and capacity-building. Resident coordinators should share lessons learned and best practices. He wondered how current models of service delivery in small island developing States delivered on that mandate, and what institutional mechanisms had been put in place to improve coordination. Indeed, many small States had experienced uncoordinated efforts by different United Nations entities, such as multiple visits to small island developing States from different organizations. Coordination would lead to better-directed funding and improved coherence in implementation and reporting.

43. Small island developing States provided unique opportunities for service delivery since they were often served through multi-country offices. However, staff in local offices were often unfamiliar with the United Nations system. Capacity-building was therefore needed at the country level. Furthermore, small island developing States were often the testing ground for

multi-country UNDAFs, but programme countries and United Nations system entities perceived them to be less useful than the norm. AOSIS would welcome the panel's perspectives on that model of service delivery.

44. **Mr. Bultrikov** (Kazakhstan) said that the United Nations development system was considered by some experts to be fragmented and lacking in efficiency at a time when the 2030 Agenda made new demands in terms of more coherent, strategically guided international cooperation for sustainable development. Progress in coherence was achieved mainly at the national level, in particular through the introduction of "Delivering as one". While activities at the country level remained the focus of United Nations development activities, the new global challenges specified in the 2030 Agenda — for example, those related to globalization and climate change — required new solutions involving all stakeholders, including the private sector and academia.

45. Kazakhstan had offered to transform its former capital, Almaty, into a regional United Nations hub focusing on sustainable development, humanitarian assistance, disaster risk reduction and resilience-building, thereby enhancing early warning, preparedness and crisis response. Member States should see dialogue in the Council as an opportunity to overcome existing problems and align the United Nations development system with the Sustainable Development Goals. That new paradigm would require enormous resources. Each State should therefore consider allocating 1 per cent of its annual defence budget to a fund for the Sustainable Development Goals. In the long term, the Council should be transformed into a global development council with a membership made up of Member States elected by the General Assembly, and the heads of all specialized agencies, including the Bretton Woods institutions. The Council should act as a global economic regulator, promote economic growth and thereby decrease the risk of global crisis. It would be useful to hear the panel's opinions on reform of the Council.

46. **Ms. Bárcena** (Executive Secretary, United Nations Economic Commission for Latin America and the Caribbean (ECLAC)) said that the regional commissions and United Nations development group funds and programmes could work together more effectively. ECLAC had provided UNFPA with a great deal of information on demographic transitions, which would be different in every country in the region. For example, Uruguay was ageing whereas Guatemala had a young population. ECLAC was also disaggregating data by gender and compiling an atlas of gender inequality. If women received the same salaries and had the same job opportunities as men, poverty would be reduced.

47. In the Caribbean, it had been suggested that $2 billion of the $42 billion external debt should be paid to a debt relief mechanism in local currency in order to create a resilience fund to invest in adaptation of tourist infrastructure and coastal areas. Efforts were also being made to establish regional sustainable development forums bringing together other agencies as well as non-United Nations partners.

48. **Mr. Kelleher** (Senior Adviser, United Nations Relations and Partnerships, World Bank) said that institutions in the United Nations family and at the World Bank Group had the advantage of shared values and a shared purpose in the Sustainable Development Goals. Like the United Nations family, the World Bank Group also had a country presence. It could therefore ensure synergies, differentiation and flexibility at the country level, bolstering the trend towards a more collaborative culture.

49. **Ms. Bekele-Thomas** (Director, Office of the Chef de Cabinet, Executive Office of the Secretary-General) said that leadership and political will mattered. The resident coordinator's authority should be enhanced, in particular through increased resources. Joint programming was a cost-effective way of delivering results; a model for that was Kenya, where all United Nations entities worked together and were jointly evaluated in a single process every year. In most cases, however, each agency was asked by its executive board to report independently when a single executive board for all agencies would be far preferable. Lastly, every United Nations country team should be rigorously selected based on the profile of the country in question.

50. **Ms. Nasr** (Minister of International Cooperation, Egypt) said that from the perspective of Egypt and many of the countries where she had worked, there was often a lack of cohesion between United Nations agencies. Capacity-building in local offices would ensure that the resulting synergies helped Governments and other stakeholders to implement the Sustainable Development Goals. Tools, indicators and assessment mechanisms would help identify gaps and challenges,

and enable countries to address them in a timely manner.

51. **Mr. Nabarro** (Special Adviser to the Secretary-General on the 2030 Agenda for Sustainable Development) said that the 2030 Agenda was completely new and it was vital for all to respect the fact that it was owned by Governments and their people. Governments were having to adapt quickly to new realities, some of them very challenging; high-quality disaggregated data were key to that rapid adaptation. The United Nations system needed to act in a coherent manner at country and regional levels, while adapting its way of working to fit local needs. The private sector, academia and civil society must also be fully engaged as partners in the implementation of the 2030 Agenda. He reiterated the need for a strong sense of commitment to the new way of working called for by the Vice-President of Honduras.

Agenda item 7: Operational activities of the United Nations for international development cooperation (*continued*) (A/71/63-E/2016/8)

(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/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

General discussion

52. **Mr. Bamrungphong** (Observer for Thailand), speaking on behalf of the Group of 77 and China, said that the global commitments mainstreamed into the operational activities for development of the United Nations development system were not open to reinterpretation and should reflect the highest priority, namely, poverty eradication. The United Nations system should scale up its assistance to developing countries in their collective efforts to implement the 2030 Agenda in a universal and inclusive manner. Operational activities for development should therefore build the capacity of developing countries to address long-term sustainable development at the national level while also taking into account their different levels of social and economic development.

53. The United Nations funds and programmes, in their regular reports to the Council, should provide information on their respective plans, programmes and projects, in accordance with their respective mandates; on their efforts to address the root causes of poverty and hunger, in line with the 2030 Agenda; on the sharing of good practices and lessons learned on the ground; and on mainstreaming the 2030 Agenda into system-wide planning and reporting.

54. With the decline in the total contribution to core resources for operational activities for development, the coherence, effectiveness and efficiency of the United Nations development system should be increased, in particular in mainstreaming the 2030 Agenda and other intergovernmentally agreed development commitments into system-wide planning and reporting, as well as enhancing coordination and coherence at the country level to make effective use of diminishing core resources and the expertise of United Nations funds, programmes and specialized agencies. The "Delivering as one" approach could enhance the relevance and effectiveness of the United Nations development system, while at the same time strengthening national ownership of operational activities, and achieving results. However, a one-size-fits-all approach would not help United Nations entities to engage with countries at different levels of social and economic development and with varying national priorities and challenges.

55. Given the incremental nature of funding for short-term humanitarian assistance during the protracted period of humanitarian crises around the world in recent years, there should be separate tracks of accountability for the development and humanitarian assistance activities of the United Nations development system in order to ensure that those funds were properly channelled into addressing urgent humanitarian needs and sustainable development issues. Furthermore, core resources must continue to be the bedrock of operational activities for development. It was a matter of concern that the ratio of core resources to earmarked resources continued to decline in the overall funding for operational activities. There was an urgent need to balance core and non-core resources; core resources should not be used to subsidize non-core activities. Full cost recovery, proportionally from core and non-core sources, should be the guiding principle governing the

funding of all non-programme costs. The donor base for core resources should also be expanded.

56. The geographical and gender diversity of the resident coordinator system should be increased. Furthermore, the governing structures of United Nations funds and programmes should be reformed in order to ensure equitable and inclusive participation and maintain the legitimacy of the system as a whole. The United Nations Office for South-South Cooperation must be strengthened and the recommendations of the High-level Committee on South-South Cooperation contained in its decision 18/1 must be implemented, including through system-wide provision of financial and human resources for the Office.

57. The deliberations on the 2016 quadrennial comprehensive policy review should give due consideration to ways in which the United Nations development system could provide better focused and better coordinated support to middle-income countries. Similarly, the Council should discuss, inter alia, concrete proposals on the longer-term positioning of the United Nations development system.

58. **Mr. Poorta** (Observer for the Netherlands), speaking on behalf of the European Union and its member States, said that the 2016 report of Secretary-General on the implementation of General Assembly resolution 67/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system (A/71/63-E/2016/8) contained several proposals that could be used as a foundation for reform. The European Union and its member States welcomed the emphasis on the challenges posed to the United Nations development system by the implementation of the 2030 Agenda. The integrated and universal nature of the 2030 Agenda required a change of mindset, collaboration across disciplines and overcoming silos. Business as usual was no longer an option; a stronger, better coordinated and more effective development system that was fit for purpose was needed to implement the transformative agenda.

59. Competition between United Nations entities must be avoided, while complementarity and partnership must be incentivized and reinforced. Joint programming must be developed and implemented, along with harmonized reporting and management frameworks. The United Nations development system must promote development effectiveness and focus on the delivery of results. He called for a strengthened coordinating role of the Economic and Social Council as well as the United Nations Development Group in promoting system-wide coherence and enhanced synergies between the normative, standard-setting and operational functions. It was essential to strengthen the link between the development and humanitarian sectors to deliver effectively, especially in conflict-affected and fragile States.

60. The development system must be ready to deliver on gender equality, both as a goal and as a cross-cutting issue. While the European Union welcomed the progress made in mainstreaming gender equality and women's empowerment, there was still room for improvement, including through continued strengthening of the linkages between normative and operational work on gender equality, the maintenance of a strong focus on increased investments in the gender capacity and expertise of United Nations staff, and equal gender representation across the United Nations system.

61. The European Union noted with satisfaction the positive impact of the "Delivering as one" approach already adopted in 50 countries and welcomed its full implementation at the request of Governments, including implementation of the standard operating procedures. The European Union and its member States supported strengthening the role of the resident coordinator system, namely its authority and legitimacy, and urged all agencies, funds and programmes to sign with the resident coordinator's management and accountability systems and implement its cost-sharing arrangement.

62. The implementation of the 2030 Agenda would present a major challenge for countries that lacked the necessary review and monitoring capacity. The development system must therefore support capacity-building of national systems for development planning, disaggregated data collection and analysis, implementation, reporting, monitoring and evaluation. United Nations agencies, programmes and funds must therefore accelerate their use of national systems as much as possible.

63. The report should have provided a more detailed analysis of the development system's funding architecture. Although funding should flow from agreement on functions, reforms were needed to address the challenge of obtaining the necessary

resources. Further reflection was needed regarding financial flows into the development system, in particular on whether volume and targeting were aligned with strategic plans. The European Union welcomed the 2015 structured dialogues with Member States and believed that they should be organized on a more systematic basis. It also welcomed the strengthened efforts to mobilize resources and aim for transparent, predictable and flexible funding.

64. The potential for the United Nations development system to mobilize resources as a system remained largely unexploited. It would be important to define a clear system-wide role in the post-2015 context, and to increase funding predictability by applying a replenishment consultation process. Currently, the European Union and its member States contributed about 40 per cent of all donations to the United Nations development system; efforts to strengthen funding for the system must therefore include broadening the donor base and using more innovative funding methods such as public-private partnerships, multi-stakeholder partnerships and pooled funding.

65. He expressed the hope that the second phase of the Council's dialogue on the longer-term positioning of the United Nations development system would constitute a key input to the discussion on the 2016 quadrennial comprehensive policy review. The quadrennial review was an essential tool for the development system and could also help to define the system's engagement in support of the implementation of the 2030 Agenda.

66. **Mr. Momen** (Bangladesh), speaking on behalf of the Group of Least Developed Countries, said that the operational activities segment of the Economic and Social Council was especially important in 2016 because of the adoption of the Sendai Framework for Disaster Risk Reduction, the Addis Ababa Action Agenda, the 2030 Agenda and the Paris Agreement; the ongoing dialogue on the longer-term positioning of the United Nations development system; and the upcoming negotiations on the quadrennial comprehensive policy review. Until recently, the development system had focused on the MDGs; it must now realign to implement the 2030 Agenda effectively and efficiently. Coordination and harmonization among its three pillars would be crucial in that process.

67. The least developed countries had been the key beneficiaries of United Nations development activities and programmes during the MDG era. Member States agreed that as the most vulnerable group of countries, least developed countries deserved the most attention in any development-oriented activity. All United Nations entities must work in a coordinated manner to implement the Istanbul Programme of Action for the Least Developed Countries for the Decade 2011-2020 to ensure coherence and synergy with the 2030 Agenda. The focus on least developed countries must not be diverted by other competing interests. Recent trends showed that resource allocation to those countries had been declining, including core resources. That alarming trend must be immediately reversed. Also, non-core resource funded programmes and projects must not be serviced or managed by core resources.

68. Operational activities for development must establish new sectoral programmes in least developed countries instead of pursuing smaller projects. It was a matter of grave concern that a number of United Nations entities conducted their work based on the concept of low-income and middle-income status, rather than on least developed status. The least developed countries were an acknowledged group with regularly updated definitions. Without specific programmes targeted to those countries, and the collection, collation and presentation of data according to the least developed classification, it would not be possible to effectively address the challenges faced by least developed countries.

69. It was also important to ensure that United Nations development activities in the least developed countries were predictable and incremental in nature. Governments must be informed of changes or discontinuation of planned development activities well in advance, in order to prevent any negative impacts on national development efforts. In addition, all least developed countries must have the country-level presence of United Nations agencies to help with development needs. The Group of Least Developed Countries recognized the positive impact of the "Delivering as one" approach; however, different country perspectives and national priorities must be respected.

70. All United Nations system organizations, in their reports to their governing bodies, must provide details on their operational activities, best practices and lessons learned, as well as specific recommendations on overcoming the challenges faced by the least developed countries in their specific areas of work. It

was crucial to know how individual least developed countries were faring in their efforts to achieve the Sustainable Development Goals.

71. The Group of Least Developed Countries would support efforts to adopt a quadrennial review that reflected the views, visions and instructions of the Member States to the entities of the United Nations with a view to implementing the 2030 Agenda. It also called upon Member States to support the least developed countries in their efforts to graduate in a sustainable manner, with demand-driven assistance provided by the United Nations development system, and to ensure that United Nations support to graduating and recently graduated countries was not subject to abrupt reductions. In conclusion, he requested the Secretary-General to reflect the recommendations of the Group of Least Developed Countries in his revised report on the quadrennial comprehensive policy review.

72. **Mr. Sareer** (Observer for Maldives), speaking on behalf of the Alliance of Small Island States (AOSIS), said that the commitments made in the 2030 Agenda, the Sendai Framework, the Addis Ababa Action Agenda and other instruments were not up for reinterpretation; instead, it was necessary to identify and correct existing systematic challenges that hindered development and implementation, while strengthening the practices that had worked. The 2030 Agenda and the Samoa Pathway must be integrated into all aspects and activities of the United Nations development system. The multidimensional nature and holistic paradigm of the 2030 Agenda required a clear understanding of how the sustainable and environmental aspects of development and poverty alleviation would translate into operational realities moving forward. Environmental targets must be practically applied to actions in order to prevent unintended consequences.

73. AOSIS was concerned at the massive imbalance between core and non-core resources. The functions of the development system should be aided by, rather than dictated by, its funding practices. It was necessary to move beyond business as usual, shifting away from earmarked non-core funding to core funding that could be aligned with national priorities and thus address development realities on the ground.

74. For small island developing States, it was critical to build and strengthen local capacity for implementation with coordinated and tangible support from the United Nations system. While many United Nations entities had expressed commitment to improving data collection and analysis, such aid could quickly become confusing if it reached national Governments from multiple sources. It was therefore critical to break down silos and ensure that all funds and programmes worked to deliver as one.

75. The diversity of the resident coordinator system must be improved to better represent local communities and increase participation as well as opportunities for bottom-up knowledge-sharing and action. The Alliance of Small Island States saw many areas for improvement in the service delivery of the resident coordinator and the UNDAF process, especially with regard to coordination in remote small island developing States.

76. Accountability was needed throughout the United Nations system not only to provide transparency to the global community, but also to make more effective decisions in the future. AOSIS looked forward to the development of evidence-based policies.

77. In order to support country-level service delivery, the United Nations should focus on its specific value added in the area of coordination and communication. Incentives should be developed to encourage inter-agency collaboration.

78. Time and time again, the importance of differentiated and targeted assistance to countries in special situations, including small island developing States, had been stressed. Small island developing States should have had an opportunity to contribute their unique perspective during discussions on the United Nations development system; their concerns and their representation should be taken into account in preparing the programmes of future meetings.

79. **Mr. Grant** (Observer for Canada), speaking also on behalf of Australia, said that it was important to seize the historical opportunity of the 2030 Agenda and concretize a vision for a transformed United Nations development system. Business as usual was not an option: the development system must be reshaped to ensure that it was fit for the multiple purposes laid out in the 2030 Agenda, as well as for the differentiated needs of countries in special and fragile situations. The system should balance coherence and specificity, while becoming less fragmented and avoiding both overlap and competition.

80. Structural and financing reforms were needed to maintain the relevance and efficiency of the United Nations development system, which otherwise ran the risk of further marginalization. First, shared development results must be delivered through multisector and multi-stakeholder financing and delivery mechanisms. Second, greater cooperation and collaboration in planning, financing, operations and reporting must be established. Third, the humanitarian, peace and development pillars must be more integrated.

81. Great progress had been achieved in implementing the mandates of the 2012 quadrennial comprehensive policy review. However, the development system still faced challenges with regard to developing national capacities, regional integration and gender equality. While the UNDAF process and its associated tools had generated significant efficacy gains, much more was needed to demonstrate efficiencies and address leadership, monitoring, and reporting gaps in implementing system-wide issues. Other shortcomings were linked to unrealistic, overly numerous and sometimes unclear mandates in the current quadrennial review. Canada and Australia hoped that the new quadrennial review could address those failings, reflecting on the key breakthroughs of the 2030 Agenda, including more sophisticated approaches to unlocking transformative partnerships and financing flows, targeted efforts towards gender equality and the empowerment of women, girls and the most vulnerable.

82. Moving forward, Canada and Australia would emphasize the streamlining of system-wide mandates with clearer purposes; better integration of peace, humanitarian and development activities, taking on board the relevant recommendations from various reports; elaboration of an incentive-based funding system at the country level towards joint funding and programming in support of the Sustainable Development Goals; rationalization of the field presence of United Nations entities at country and regional levels; institutionalization of results-based management; rethinking the resident coordinator system with a view to ensuring that coordinators had adequate leadership, delegated authority, robust accountability mechanisms and adequate resources; and ensuring that civil society and the private sector were considered core partners in the implementation of the Sustainable Development Goals.

83. Underpinning all of those elements was the need for a new governance architecture for the development system at both country and global levels. A more strategic quadrennial review that provided a system-wide framework to plan, budget, implement, monitor, evaluate and report to Member States would be vital to repositioning the United Nations development system in the context of the 2030 Agenda. Canada and Australia also believed that a more authoritative and accountable United Nations Development Group, as well as an updated financing framework with incentives for collaboration and pooled funding, were necessary.

84. The core functions to be performed by the development system must be clearly defined and adapted to different country contexts. Universality, integration and the aim of leaving no one behind all required major reforms of the development system. There was no room for United Nations competition; the system must deliver at scale.

85. **Ms. Haynes** (Trinidad and Tobago), speaking on behalf of the Caribbean Community (CARICOM), said that the 2030 Agenda was more dynamic and integrated, as well as broader in scope, scale and coverage than the MDGs. Consequently, the United Nations development system must continue to improve its flexibility, coherence and effectiveness at all levels. Efforts to ensure that the system was fit for purpose must be scaled up and expanded, including in the spheres of development, humanitarian affairs and peace and security. Such measures must be implemented in a time-bound and coordinated manner that built on existing arrangements.

86. CARICOM welcomed country-level progress in improving coordination and coherence of the United Nations development system, including through the use of UNDAFs. It also welcomed the consolidation of business processes, common measurement tools, pooled funding and coordinated budgeting strategies. Nonetheless, there was a critical need to further coordinate the system for enhanced and harmonized service delivery, especially in crisis and high-risk situations.

87. In addition to the challenges outlined by AOSIS in terms of the participation of remote small island developing States in multi-country programmes, there was a remarkable lack of coordination in development activities at the regional and subregional levels that must be addressed in order to ensure appropriate regional follow-up and review of the 2030 Agenda. A number of agency best practices as developed in the

context of the MDGs could be scaled up and replicated in a system-wide manner.

88. CARICOM was concerned about the continued increase in non-core resources for development activities, coupled with a continued decrease in core resources. The implementation of a more complex development agenda would require greater flexibility in the allocation of resources according to regional and national priorities. Core resources allowed for the most flexible, effective and impartial allocation of resources across the development system. Although CARICOM supported the call for earmarked contributions to be more predictable, long-term and in line with the 2030 Agenda, it also stressed that such efforts were not a substitute for a critical increase in core resources.

89. Developing countries, especially those within the CARICOM subregion, required focused and expanded institutional and capacity-building in order to effectively implement the 2030 Agenda. Capacity-building in data collection and statistical analysis must be complemented by improvements in policy design and management in order to effectively mainstream the global development framework into national policies and strategies. CARICOM therefore called for the acceleration of efforts aimed at ensuring that UNDAFs and other planning instruments focused on capacity development.

90. **Ms. Persson** (Sweden) said that throughout 2015, multilateralism had proven its pertinence in the face of severe and complex global challenges. At a point when many might have questioned the viability of the United Nations, the international community had exceeded expectations and concluded four major agreements in one year. The United Nations development system was uniquely positioned to support Member States in the implementation of the 2030 Agenda. Her delegation expressed unwavering support for the multilateral system and the work being done in the Economic and Social Council.

91. The United Nations had a unique normative, leveraging and convening role that should be safeguarded and improved, adapting as necessary to the rapidly changing development landscape. It was important to build consensus on what functions the development system should perform. Particular emphasis must be placed on the role of the United Nations in least developed countries and in countries affected by conflict or other humanitarian crises. In such contexts, success depended on enabling collaboration between the peacebuilding, humanitarian, and development pillars. In the post-2015 world, the ability of the United Nations to generate, promote and foster partnerships must be further strengthened. The United Nations must also strengthen its capacity to deliver integrated and coordinated policy support. In response to the universal 2030 Agenda, the United Nations must meet the highest standards to remain viable and relevant to all countries, including middle- and high-income countries. It also played an indispensable role in monitoring and reporting.

92. Her delegation looked forward to hearing from other Member States, and especially developing countries, concerning the functions that the United Nations development system should perform. Once consensus was reached on that issue, it would be easier to discuss organizational reform, funding and governance.

93. Her delegation attached particular importance to funding. In light of the increased expectations of the 2030 Agenda, it was more important than ever to provide the funds and programmes of the United Nations with more predictable and high-quality non-earmarked funding. Donors must acknowledge the importance of providing core support, which formed the bedrock of multilateral funding, while the development system must incentivize core resource provision. Her delegation would continue to support the United Nations funds, programmes and agencies with high levels of core funding and keep encouraging good multilateral donorship. As the 2030 Agenda was universally applicable, it was necessary to broaden the base of development funding. Funding practices must be aligned with the functions of the United Nations development system, acknowledging that different functions would require different funding modalities.

94. None of the aforementioned reforms could be accomplished in a day or two, but thanks to the important international agreements concluded in 2015, there was growing cross-regional recognition among Member States that business as usual would not suffice and that more reforms were needed to accommodate the changing development landscape. Multilateralism would remain pertinent for a long time to come.

The meeting rose at 6.05 p.m.