# 2023 ECOSOC Operational Activities for Development Segment Vice President's Summary

### H.E. Mr. Albert Ranganai Chimbindi, Permanent Representative of the Republic of Zimbabwe to the United Nations, Vice-President of the Economic and Social Council responsible for the ECOSOC operational activities for development segment

The 2023 ECOSOC operational activities for development segment was held from 23 to 25 May 2023, at the United Nations Headquarters, New York, under the overarching theme "Guiding United Nations development system's support in response to interlinked crises and to accelerate progress towards the Sustainable Development Goals (SDGs)." The segment considered the progress made in the implementation of General Assembly resolution 75/233 on the comprehensive quadrennial policy review of operational activities for development of the United Nations system (QCPR) and resolution 72/279 on the repositioning of the UN development system (UNDS). The segment also considered General Assembly resolution 76/4 on the review of the functioning of the reinvigorated resident coordinator (RC) system, including its funding arrangement.

The segment took place amidst setbacks and reversals at the halfway point to the target date of 2030 for achieving the Sustainable Development Goals (SDGs), with the world facing interlinked complex crises. It underscored the importance of international cooperation and global solidarity to address these challenges and to rescue the SDGs. It acknowledged that the UN development system continues to demonstrate its important role in supporting countries' efforts to strengthen transformative policies and programmes to accelerate progress towards the SDGs, which showed the added value of the enhanced coordination system and a whole-of-system approach.

The segment brought together high-level Government representatives, senior UN officials from the country, regional and global levels, as well as participants from the private sector (see <a href="mailto:programme">programme</a>). The UN Secretary-General introduced his report on the implementation of the QCPR, and the UN Deputy Secretary-General presented her report on the Development Coordination Office. In addition, over forty panellists, discussants and moderators participated, including more than ten Executive Heads and Special Representatives of United Nations development system entities, seven Resident Coordinators, as well as selected members of United Nations country teams.

The discussions were informed by: 1) the <u>report of the Secretary-General</u> on the implementation of General Assembly resolution 75/233 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system (A/78/72-E/2023/59) including its addendum on the analysis of funding (A/78/72/Add.1-E/2023/59/Add.1) of the United Nations development system and the annexes containing the <u>QCPR monitoring and reporting framework</u> and the <u>Funding Compact indicators</u>; 2) the <u>report of the Chair of the United Nations Sustainable Development Group (UNSDG) on the Development Coordination Office</u> (E/2023/62) and its annexes on <u>Overview of resources of the RC system special purpose trust fund</u> and the <u>Resident Coordinator System Results Framework</u>.

#### **Opening session**

"In a world in crisis, rescuing the Sustainable Development Goals (SDGs) is more important than ever. It is concerning that most of the SDGs are moving backwards due to the accumulation of the crises that we are facing. To rescue and turbocharge the SDGs must be our highest common priority, and that is where the UNDS comes in."

H.E. Mr. Albert Ranganai Chimbindi Vice-President of ECOSOC At the opening of the segment, the Vice-President of the Economic and Social Council, H.E. Mr. Albert Ranganai Chimbindi, noted that halfway to 2030, we were losing hard-earned progress on the Sustainable Development Goals. The COVID-19 pandemic exacerbated inequalities within and between countries, conflicts revealed deep fragilities in food, energy and financial systems, and the climate emergency continued to escalate with devastating effects.

Against this emergency, the UN development system, through its reforms, had laid an increasingly firm foundation to help meet these development challenges, in line with the 2020 QCPR. Despite facing funding shortfalls, the strengthened resident coordinator system was bringing UN country teams closer together to support the 2030 Agenda for Sustainable Development. New Cooperation Frameworks were effectively

locking in place upgraded UN country teams to be well positioned to draw in collaboration, partnerships, and financing.

The segment offered an opportunity for Member States to provide recommendations, based on sound analysis and evidence, on how to further strengthen the UN development system to deliver results at scale, and to address various complex development challenges and leave no one behind. The Vice-President encouraged all participants to have a forward-looking vision, keeping in mind the central role of the next QCPR in supporting countries to achieve the 2030 Agenda. He, also, underscored the importance of the ECOSOC operational activities for development segment as the main accountability platform for the UN development system, to enhance the acceleration of system-wide performance and results in support of the 2030 Agenda, as endorsed and strengthened by the General Assembly.

In his statement, H.E. Mr. Frederick Musiiwa Makamure Shava, Minister of Foreign Affairs and International Trade of the Republic of Zimbabwe, noted that the "polycrisis" of unprecedented challenges had demonstrated the importance of the UN. At the same time, it was crucial to make the organization more effective, efficient, representative, and reflective of the current global realities. He called on the UN development system to strengthen efforts in leveraging robust partnerships with development partners, including with international financial institutions and the private sector, and for all development partners to align their funding to fully deliver the Funding Compact commitments. Looking towards the 2023 High-level Political Forum on Sustainable Development (HLPF) and the SDG Summit, the UN development system and Member States needed to seize the opportunities presented at the segment to share experiences and lessons learnt, to formulate the way forward and achieve the scale and pace of progress required to deliver the 2030 Agenda. He concluded with a reminder that solidarity remained the hallmark of the multilateral system, with the UN at its core.

"Around the world, United Nations country teams lead our efforts for sustainable, inclusive development. They are our eyes, ears and hands, supporting governments, convening stakeholders, and striving to translate global and regional commitments on the SDGs into action. [...] Four years on, the reforms have succeeded. [...] "

H.E. Mr. António Guterres Secretary-General, United Nations In his keynote address, **UN Secretary-General António Guterres** emphasized that while the SDGs were far off track, it was not too late to turn the tide. A wide range of UN initiatives – including the emergency SDG Stimulus measures to scale-up liquidity and financing for countries in need, the Global Accelerator on Social Protection and Jobs, and the Black Sea Initiative to help stabilize markets and reduce price volatility related to food and fertilizers– were aimed at reducing poverty, inequality and hunger, and getting the 2030 Agenda back on course.

Around the world, United Nations country teams led efforts for sustainable, inclusive development, supported governments, convened stakeholders, and strived to translate global and regional commitments on the SDGs

into action. The Secretary-General's report on the QCPR implementation clearly demonstrated that the reforms were succeeding and resident coordinators were bringing UN entities together in support of countries' priorities for the implementation of the 2030 Agenda.

The Secretary General, nevertheless, noted that the investments needed to achieve the transformative vision of the 2030 Agenda had not been made. With an annual SDG funding gap of \$4.2 trillion US dollars, many developing countries could not afford to invest in the SDGs. He referred to his call for an SDG Stimulus – an emergency measure to scale up affordable long-term financing for all countries in need, by at least \$500 billion US dollars a year. While thanking those Member States that had maintained or increased their financial support to the UN development system, the Secretary-General pointed out the chronic underfunding of the resident coordinator system which, despite being the anchor for all efforts to support countries in achieving the 2030 Agenda, suffered from an annual funding gap of \$85 million US dollars. Moreover, the Joint SDG Fund was far short of the Funding Compact target of \$290 million US dollars per year. The Secretary-General emphasized that it was simply not credible to pledge support for peace, without preparing to invest a tiny fraction in sustainable development compared to the two trillion US dollars of military spending. He urged Member States to reconsider his recommendation for a hybrid 2.0 funding model for the resident coordinator system. In the coming months, the Secretary-General would launch a transparent, inclusive consultation process, with Member States, before submitting a formal funding proposal to the General Assembly. Member States were asked to approach these consultations with a sense of urgency, solidarity and resolve.

Looking forward, the Secretary-General emphasized that the SDG Summit should be a moment of unity to provide a renewed impetus and accelerated action for achieving the SDGs. He, also, emphasized that a robust resolution from the ECOSOC operational activities for development segment would be an important first step in this regard.

In her address, **the Deputy Secretary-General** underscored the critical role of the resident coordinator system in rescuing and accelerating action to achieve the SDGs and translating global commitments to effective measures at country-level. The resident coordinator system was fostering more coherent, accountable and effective UN support to countries, leveraging their impartiality and new capacities to channel skillsets and expertise housed across the UN system. Resident Coordinators were, also, enabling more tailored support from UN country teams, providing more effective convening of partners and stakeholders, and expanded access to SDG financing.

The Deputy Secretary-General highlighted **five key achievements** outlined in her report: i) strengthened resident coordinator leadership; ii) strengthened resident coordinator office capacities providing critical support to UN country teams; iii) the crucial role played by the resident coordinator system in leading the emergence of a new generation of UN country teams; iv) the resident coordinator system being instrumental in enhancing the transparency and accountability of the UN development system's activities; and, v) as confirmed by data, the resident coordinator system helping drive efficiencies across entities of the system, generating substantial savings.

She, however, also noted that, while celebrating these achievements, it was necessary to address the pressing issue of funding. The resident coordinator system remained chronically under-funded, despite all efforts by Member

"Resident coordinators are now our backbone to translate global commitments into effective action on the ground. Before these reforms, this link simply did not exist and there was a gap between intergovernmental outcomes and action by UN Country Teams. This is no longer the case."

H.E. Ms. Amina J. Mohammed, Deputy Secretary-General, United Nations

States, UN entities and the Secretary-General to implement the hybrid 2.0 funding model mandated by the General Assembly. It was evident that without adequate and predictable funding, hard-won gains in the reforms and our ability to support the countries to deliver on the SDGs would be jeopardized.

#### Summary of discussions and key messages

The repositioning of the UN development system, with the new resident coordinator system at its core, is delivering tangible results. Resident coordinators are increasingly seen as more than "coordinators," using their convening power to bring together key constituencies to engage in policy dialogue around transformative areas to advance the 2030 Agenda, to leverage partnerships for accelerating implementation of the SDGs, and to deliver tailored support to countries based on their specific circumstances.

Member States appreciated the evidence of the progress of the UN development system repositioning. They recognized the value of the resident coordinator system and noted that it was critical for the UN to demonstrate its added value through real-life, practical examples of stronger leadership and coordination, to deliver more on the ground. There were clear messages about UN country teams' substantive contribution in different settings, regions and in response to countries in special situations. Countries in special situations and middle-income countries expressed appreciation for the UN development system's tailored support to their specific circumstances and how the system's assets were being leveraged to support the implementation of the Doha Programme of Action for the Least Developed Countries and the preparations for the upcoming conferences for the Landlocked Developing Countries and the Small Island Developing States. This positive contribution was noted as a welcome contrast to the negative global outlook related to SDG progress, amidst the complex interlocking crises faced by the world.

Appreciation was expressed for the transparent, interactive dialogue on the resident coordinator system and results framework, as well as for efforts made to improve the framework. Some Member

States noted remaining challenges, including the need to ensure geographical balance in the selection of resident coordinators. The need to make further progress on efficiency gains was, also, noted.

UN entities are adapting their business models, contributing towards system-wide results, strengthening synergies in support of countries' needs and priorities, and working towards maximizing collective efforts in alignment with the UN development system reform. However, there are opportunities to better leverage the role of UN entities and resident coordinators, especially in joint programming and in ensuring that context-specific, crosscutting expertise is available to support countries.

In the dialogue with the Executive Heads, several Member States appreciated and acknowledged the achievements of the reform. They noted that despite the improvements, collaboration among UN entities remained a challenge in some cases, with the reform still considered as an "add-on" to their work, rather than as a new way of working together. They emphasized the need to shift the narrative towards more joint development results. Member States also noted the strong leadership role of resident coordinators and UN entities as critical to achieving the SDGs. The Executive Heads emphasized that it was important that UN entities contributed towards efforts based on their specialization, and that resident coordinators had an essential role in holding UN entities accountable. Member States expressed interest in learning how UN agencies shared challenges and lessons learned, particularly in areas of joint engagement. The Executive Heads, also, noted their commitment to sharing lessons learned, ensuring that the work on the ground reflected research, data, and experience. They noted that resident coordinators played an important role in leading joint programming to ensure that the approach reflected the multidimensionality of crises, leveraging the collective knowledge of UN entities. Member States also stressed that the UN development system had a key role in mainstreaming gender and climate, and expressed interest in learning how UN entities were working together on these crosscutting issues.

The Integrated National Financing Frameworks are delivering tangible results, supporting countries in both tackling the short-term financial constraints they faced and articulating their national development priorities. Yet, greater support from the system is needed to facilitate development financing in countries and further collaboration with international financial institutions.

The Integrated National Financing Frameworks were commended for delivering tangible results, supporting countries in both tackling the short-term financial constraints they faced and articulating their national development priorities and there was a call for countries that have not yet joined the framework to do so. Discussions also centred on the difficulties in accessing both private and public finance. Emphasis was placed on the fact that this was a critical phase of the climate crisis that required a mass mobilization of significant amounts of public and private finance. Overall, the discussions underscored that financing for development was the variable that would allow countries to come out of the current crisis or fall deeper into it.

There were consistent calls for greater support from the UN development system to facilitate development financing in countries and enhance collaboration with international financial institutions. Various Member States echoed the Secretary-General's call for greater collaboration among country-based donor communities for more substantial progress and investments, clearly linked to country needs and priorities. There was recognition that more must be done to match country-centric responses from the UN development system, with cross-border coordination and adopting a regional lens to regional development challenges.

Current trends in the funding of the UN development system, particularly the lack of predictable and flexible funding, remain a major concern. In particular, Member States called for the capitalization of the Joint SDG Fund and the full funding of the Resident Coordinator system.

Concern was expressed regarding the lack of predictable and flexible funding for the UN development system. The severe lack of funding for the Joint SDG Fund as well as other relevant global funds like the Peacebuilding Fund was emphasized, thus preventing them from fulfilling their important role in accelerating progress towards sustainable development through collective action. It was noted that competition between individual entities for donor funds continued to exist. Member States expressed concern at the limited progress in designing and promoting country-level pooled funds while at the same time continually calling for more flexible, pooled funding that incentivized joint work.

Global pooled funds and country-level pooled funds were noted as instrumental in delivering joint programming at scale for impact. Several Member States provided examples on how the Joint SDG Fund had helped to leverage additional financing in renewable and sustainable energy. There was a suggestion that the Joint SDG Fund may wish to hold frequent consultations with existing and prospective donors, to increase their confidence in this mechanism.

Member States highlighted the need to revisit the resident coordinator system funding model and looked forward to engaging in the consultation process the Secretary-General planned to launch in the coming months to inform his funding proposal to the General Assembly.

The Funding Compact is a vital precondition to the joint work at country level and it remains a critical tool for the funding of the UN development system. However, progress on meeting the commitments of the Funding Compact remains insufficient.

The **Assistant Secretary-General of the Development Coordination Office** emphasized that improving the quantity and quality of funding for operational activities would have a multiplier effect on the implementation of the Sustainable Development Goals. He highlighted that the UN Sustainable Development Group had realized 83 per cent of indicators so far, while Member States were lagging behind at 48 per cent.

Member States acknowledged that implementation of the Funding Compact remained behind schedule. They noted the need for full transparency and accountability through regular reporting, cultivating a culture geared towards delivering joint results, full ownership of the implementation of the UN development system reforms, and the need to further leverage development cooperation partnerships with other donors.

There were several concerns raised during the segment. Firstly, the decrease in core funding and increased earmarked funding trend was leading to projectization and unhealthy competition. Secondly, there was a clear lack of awareness of the Funding Compact in countries, which was considered an impediment to making further progress on its implementation. Thirdly, Member States expressed concern about the budgetary deficit of the resident coordinator system.

Member States welcomed the proposed dialogue to renew the Funding Compact, to be led by the Chair of the United Nations Sustainable Development Group (UNSDG). Several recommendations were discussed for the lead up to the dialogue on the future of the Funding Compact. These included: carrying out an assessment during the midterm reviews of the UN agencies, funds and programmes, on the extent to which earmarked funding was diverting resources away from the implementation of their strategic plans; better reporting on how core contributions were being spent; having governing

bodies utilize the UNSDG checklist as a tool to improve implementation progress; and having donors increase awareness of the Funding Compact commitments in capitals and in their embassies. The need to increase visibility on the results of pooled funding at country level was also emphasized to help secure public and parliamentary support for more flexible funding.

The regional reform is paying its dividends as regional assets are supporting a better overall United Nations response to transboundary issues. With a strengthened regional level, resident coordinator offices are now better able to access regional support for national processes and priorities. At the same time, more needs to be done to match country-centric responses with cross-border approaches as regional and sub-regional issues are increasingly impacting programme countries' efforts to implement the 2030 Agenda.

It was underscored that global, regional and subregional issues, such as leveraging climate finance, managing migration, and strengthening trade, were increasingly critical to achieving sustainable development, whereas development tools, including Cooperation Frameworks, continued to remain country centric. Cross-border and transborder issues should feature at the heart of UN policies and programmes to secure the implementation of the SDGs.

There was appreciation of the new architecture put in place through the regional reform which has put the UN development system in a position of strength. Examples were given of how Regional Collaborative Platforms were helping identify opportunities to strengthen cross-border, sub-regional and regional initiatives and supporting countries by deploying regional knowledge and expertise to assist resident coordinators and UN country teams.

Recent progress has been made in strengthening the UN development system's oversight, including through the UNSDG checklist for governing bodies of individual entities, more transparent reporting of results and financial information, as well as horizontally through the ECOSOC operational activities for development segment. However, improvements could be made to better enable Member States to perform their oversight role.

Member States highlighted the importance of a strengthened oversight role of the ECOSOC operational activities for development segment as an accountability platform for system-wide performance and results in relation to the 2030 Agenda. Some Member States indicated that there was room for further strengthening the segment, including by increased participation of UN entity heads and having individual UN entities focus more on presenting results achieved through joint efforts. Member States also called for a robust ECOSOC resolution following this year's segment.

It was stressed that transparency and accountability were critical drivers in an effective UN development system and for building trust. There was recognition that the UN had been improving its accountability mechanisms, including through the Management and Accountability Framework, as well as through more transparent results and financial information. Sighting the vast amounts of data and information being reported by UN development system entities to their governing bodies and ECOSOC, several Member States highlighted the importance of more streamlined and user-friendly reporting that was easier to digest for Member States and the public in general. Suggestions included more harmonized reporting formats across entities, greater use of visual communication tools and additional briefings and training sessions for new delegates. This would enable members of governing boards to provide more informed and coherent oversight messaging.

Member States expressed appreciation for the UNSDG checklist developed by the Chair of the UNSDG, following the request of Member States contained in General Assembly resolution 76/4 on the review

of the Rresident Coordinator system to facilitate oversight of the UN development system repositioning by the governing bodies of UNSDG entities. It was described as a useful tool for stock-taking and improving performance. Member States proposed to include the checklist in the annual reporting frameworks to governing bodies under the agenda item on the implementation of the UN development system reform. Member States, also, commended the inclusive and transparent process that led to the development of the multi-annual results framework of the resident coordinator system, also mandated by General Assembly resolution 76/4.

## The UN development system has a potential catalytic role in accelerating just transitions, particularly in social protection and employment, green jobs, clean energy, and education.

The discussion on how the UN development system could support countries in advancing towards a just transition to sustainable development brought together several elements, from social protection and employment, gender equality, human rights, clean energy, education and the role of partnerships and businesses. Member States highlighted that a just transition was an essential component of the efforts related to achieving the SDGs.

It was noted that the UN development system was instrumental in making just transitions in critical areas a reality by convening multiple stakeholders, including the private sector, in a whole-of-society and whole-of-system approach. The role of resident coordinators and country teams was highlighted as key in helping governments to align development plans with the principles of just transitions, as well as in the design and implementation of the Cooperation Frameworks. The role of global pooled funds was also noted as key in facilitating these shifts.

The Global Accelerator on Jobs and Social Protection for Just Transitions had the potential to stimulate growth in key sectors of the economy while facilitating low emissions and greener practices. Closing the connectivity gap and promoting open platforms were pointed out as critical in enabling just transitions: some examples of joint UN collaboration were mentioned during the session, including the giga project and the digital bandwidth for digital resources in the education sector.

Several bottlenecks for countries in advancing just transition were highlighted, including lack of resources/financing, technology, institutional capacity, as well as the need to sensitize business leaders that a just transition was good for business. The discussion ended with a note that gender equality and human rights were key to a just transition. The UN development system had a crucial role in supporting countries' just transition, including by upgrading its own capabilities and capacities.

#### The way forward

At a moment of complex and intersected crises, the 2023 operational activities for development segment confirmed Member States' commitment to bring the Sustainable Development Goals back on track, at the halfway point through the timeline of the 2030 Agenda, heading towards the SDG Summit in September 2023. The SDGs remained the only comprehensive solution to today's global challenges and no effort must be spared in rescuing them.

Member States recognized that, through the reform, the UN development system, with the resident coordinator system at its core, was increasingly well placed to help countries pursue sustainable development as a way out of crisis. The UN development system continues to demonstrate its crucial role in supporting countries' efforts to strengthen transformative policies and programmes to

accelerate progress towards the SDGs, showing the added value of the enhanced coordination system and greater coherence across development, humanitarian and peace activities. However, it was important to continue strengthening transparency, accountability and oversight, including through the Management and Accountability Framework, with attention from governing bodies to their respective entities' alignment with reform efforts, facilitated by the newly developed UNSDG checklist.

Member States acknowledged the need for the UN development system to build on its achievements to meet intensified demands, by deepening integrated approaches to programme support, including through the Integrated National Financing Frameworks. The transformative vision of the 2030 Agenda relies on strengthened partnerships, including with international financial institutions and the private sector, to help countries overcome existing impediments to financing sustainable development, with Member States calling for greater support to these efforts from the system.

The discussions confirmed Member States' interest to engage in a dialogue with the UN development system entities on the future of the Funding Compact. This dialogue will aim to identify the commitments critical to incentivizing the flexible, predictable and sustainable funding that the UN development system would need to realize the full benefits of the reform and deliver more coherent and effective support to countries. This includes the full capitalization of the Joint SDG Fund. The full funding of the resident coordinator system was recognised as critical, with repeated calls to ensure a sustainable funding modality. Member States expressed interest in engaging in a transparent and inclusive consultation process with the Secretary-General in this regard and looked forward to a formal proposal by the Secretary General to the General Assembly, on rethinking the funding model for the resident coordinator system.

In follow-up up to the segment, Member States will consider a draft resolution to be adopted by the end of the current ECOSOC session in July 2023.