ECOSOC/Operational Activities for Development Segment

Discussion of the Report on the UN Development Coordination Office's operations, administration and finance

ECOSOC Chamber, 21 May 2019, 12:15pm -1:00pm

Remarks

Michelle Gyles-McDonnough, Director for Sustainable Development - EOSG

Excellencies,

Ladies and gentlemen,

I appreciate the opportunity to present the first annual report of the new UN Development Coordination Office.

I am doing this on behalf of Assistant Secretary-General Robert Piper, who was not able to join this session today due to extenuating circumstances. ASG Piper very much wanted to be here and to engage with Member States on the effort he has led since January 1 to stand up the Development Coordination Office.

As highlighted by the Secretary-General during this morning's debate, the standing up of Development Coordination Office is one of the first and most important milestones of the reforms to date.

We have worked hard since January to establish an independent and empowered development coordination system to increase impact, cohesion, accountability and transparency.

We have done so with a clear objective in mind: to ensure that the UN development system is well-positioned to help Member States implement the 2030 Agenda.

And we were guided by a clear mandate: General Assembly resolution 72/279, which mandated the creation of a dedicated and sustainable development-focused coordination function for the UN development system.

In creating an independent Resident Coordinator system, and a transformed DCO, the General Assembly has unleashed the most significant reorganisation of the UN Coordination function in years, laying the base for profound changes in the way our UN country teams operate.

If we are well-advanced in this process today, it is thanks to the leadership and support of all Member States. The Secretary-General remains grateful to all of you.

We also appreciate the active engagement and contributions by all entities of the UN Sustainable Development Group. Without their support and cost-sharing contributions, we would not be here today.

Excellencies,

So, what has happened since 1 January 2019?

First, we have made significant progress in rolling out the new Resident Coordinator system

Resident Coordinators are in many ways the engines of these reforms and central to the advent of a new generation of UN country teams.

They are providing full-time, independent leadership for UN coordination at the country level, working collaboratively with UN country teams, guiding strategic policy and enabling innovative partnerships for the SDGs.

The transition to a new Resident Coordinator system in January was successful, and we are now in full-flight.

The process has largely unfolded as the Secretary-General laid it out in his implementation plan for RC system.

There was no break in operations – and we thank UNDP and the UN Secretariat for working hand-in-hand throughout 2018 to make this happen.

While this was a major milestone, it was just the beginning of a process that will unfold for several months. Throughout 2019, we will continue to strengthen the selection process, talent management, and resource structures around the RCs to ensure that they can live up to the huge expectations we all place on them.

We are revamping recruitment and training programmes and substantive tools to ensure all RCs have deep substantive knowledge of the 2030 Agenda and the experience required for each country context – just as the Secretary-General has committed to you.

We will maintain an independent and rigorous assessment for RCs, handled by an independent third-party, to bring expertise and impartiality to the process.

But we will take steps to make the recruitment process more transparent and ensure we can attract the brightest from within and outside the system.

Gender parity and geographic balance are key priorities.

Second, we are well-advanced in the strengthening of Resident Coordinator Offices.

The roll-out of RC offices has been done in stages to ensure business continuity in the operations of the RC system during the transition phase.

All 131 transition plans were ready for implementation by January 1, enabling each RCO to hire a mix of national and international staff that match specific country needs.

We project that by the end of the year, 67% of the RC office staff will be national and 33 % international.

We are in the process of creating a roster for strategic planers and economists, at the P4 and P5 levels. Applications closed in late April and over 5,000 candidates applied to the rosters.

About 2,500 have been screened in for the next stage, which will include two rounds of pre-testing before going into interviews during the second half of June.

Third, the new UN Development Coordination Office is in place

The recruitment of DCO was organised in two waves –61 posts were advertised in November 2018; and another 34 posts will be advertised from now to 31 August.

We currently have 33 staff in post and 12 additional recruitments are being finalized.

We are improving regional balance – our baseline from September 2018 is 57 percent from the global North, 43 per cent from the global South. The current trajectory of recruitments allows us to confidently say we will do better than we have in the past.

87 % of the total budget for the new Resident Coordinator system is dedicated to country coordination. This is a highly decentralized system.

To support this, one-third of all DCO positions are allocated to the newly created regional desks. These desks are located in Addis Ababa, Amman, Istanbul, Bangkok and Panama City.

We expect this investment at the regional level to yield both dedicated support to RCs and bolstered capacity to work on challenges that are regional, sub-regional and cross-border in nature.

Fourth, we are sparing no efforts to ensure an adequate and sustainable funding base for the new RC system

The cost-sharing arrangements set out in by Member States have been implemented swiftly by the UN Sustainable Development Group.

Of the total \$77.5 million expected, \$75 million has already been transferred to the Special Purpose Trust Fund.

DCO started collecting the 1 per cent coordination levy on 1 May.

To date, 14 countries have formally confirmed their preferred collection modality.

We hope the levy will yield \$30-\$40 million dollars during the first year of operation, potentially growing to \$60-\$80 million dollars a year thereafter.

We are particularly appreciative of the fact that Member States have come forward with voluntary contributions within tight timelines to support this transition –many even frontloaded funds.

To date, 32 countries have already contributed or committed funds, totalling \$116 million.

These contributions have come from a wide variety of Member States, which is critical to ensure wide ownership. The RC system belongs to all Member States and all contributions count.

To ensure full transparency and accountability, we have set up a web-based portal with real-time information on all funds allocated to the RC system. This went live in February 2019.

While these combined efforts have allowed us to transition as planned, a funding gap remains and we continue to struggle with sustainability.

While the 1% levy will help bridge this gap, we continue to appeal to all Member States for contributions in 2019 and beyond.

We count on your continued support to take this joint work forward.

Excellencies,

This year's DCO report is an overview of the first five months of DCOs existence. It is, by definition, a transitional report.

We are starting to see burgeoning change at country-level, but it is still anecdotal. At these early stages of reform, the narrative is inevitably focused on getting the mechanics and structures right.

But this is ultimately about results for people. And about making the UN a better case for investments, with results that are more coordinated, impactful and reported at scale.

We trust that the next report will speak for itself. It will provide an insight into the early results of our joint efforts to reposition the UN development system.

And over time, we will progressively link the results of our UN country teams to the activities of DCO and the RC system.

Transparent and robust reporting will be critical to our shared objective of making the ECOSOC a central platform to hold us accountable, collectively, for our support to the 2030 Agenda.

You can count on our utmost commitment.

And we trust we will continue to benefit from your leadership, engagement and support.

Thank you.