

UN Secretary-General's remarks to ECOSOC Segment on Operational Activities for Development: Presentation of report and vision for the continuation of UN reform and the implementation of the 2020 QCPR in times of crisis

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Thank you for your very positive and accurate introduction to our debate.

Mr. President, Mr. Vice President, Excellencies, Ladies and gentlemen,

This past year has been unlike any other in living memory.

The COVID-19 pandemic has already taken over three million lives.

Some 131 million people have been pushed into extreme poverty.

Unemployment has soared and billions saw their livelihoods vanish overnight.

The most vulnerable in our societies – particularly women and young people – have been disproportionately affected.

Years of development progress – and in some instances decades – have been reversed, making it both more difficult and more urgent to keep the promise of the 2030 Agenda.

In many ways, the COVID-19 crisis has shone a spotlight on international cooperation.

In areas such as international financing solidarity or vaccine equity, massive shortcomings have been exposed.

But in others, such as tackling the socio-economic impacts on the ground, we have seen the value and enormous potential of international cooperation for development and the courage and resilience of people.

Mr. President,

The COVID-19 pandemic has also been a litmus test for the new Resident Coordinator system and the repositioned United Nations development system

Based on the evidence available thus far, it is a test we have passed with a solid score.

In a matter of months, guided by a framework developed by the UN Sustainable Development Group and under the leadership of Resident Coordinators, UN Country Teams rolled out 121 immediate socio-economic response plans covering 139 countries and territories.

More than \$3 billion US dollars was repurposed and an additional \$2 billion was mobilized to prioritize – above all else – effective, immediate support to the people we serve in coordination with the governments.

Developing countries have provided positive feedback regarding the overall response.

More than 90 per cent of your colleagues in capitals agree that Resident Coordinators helped ensure a coherent United Nations response to the pandemic, and also with national ownership.

And more than 80 per cent confirmed we were successful in targeting at-risk groups, those most hurt by this crisis.

These responses are consistent with the broader feedback from programme country governments that illustrate the early benefits of the reforms.

The data suggest that governments agree overwhelmingly that UN Country Teams are now more relevant to their development needs, fully in line with the principle of national ownership; that Resident Coordinators are more effective in leading the Country Teams; and that they serve as a genuine entry point to access the UN system at the country level.

These are encouraging results; they give us confidence that we are moving in the right direction. And they show what the newly repositioned UN development system can do.

But we do not take this feedback for granted; there is much work ahead.

And the segment that opens today offers opportunities to hear further feedback from you – to compare notes with what you hear from your representatives in capitals and embassies.

Excellencies,

Over the past year, we have also accelerated implementation of the approved reforms in a number of key areas.

First, with the Resident Coordinator system now operating at full capacity, our Country Teams are increasingly centred around more ambitious Cooperation Frameworks that shape our joint efforts to make progress towards the Sustainable Development Goals.

We are seeing better engagement with Regional Economic Commissions, a true revolution in the UN System; with United Nations entities that do not have a physical presence in the ground and - in a growing number of cases - with International Financial Institutions.

Second, we are better positioned today to ensure more tailored responses to specific country contexts and to countries in special situations.

- This is particularly the case for our support to Small Island Developing States, where we have seen rapid progress in boosting the capacities and offer of our Multi-Country Offices.
- We have strengthened coordination capacities across Multi-Country Offices and our new office for the North Pacific is on track, with a new Resident Coordinator expected to be in place by mid-year.
- Several United Nations entities have refined their offer and updated programmes for Small Island Developing States – and several others have plans to do so.
- With the new Resident Coordinator System at the centre, UN Country Teams have strengthened their capacity to ensure joint planning and draw resources from across pillars to service the 2030 Agenda.

Third, we have made progress in advancing the regional review.

- All regions have transitioned to the new Regional Collaborative Platforms and held their first meetings in March of this year, back to back with the Regional Forums for Sustainable Development.
- Demand-driven Issue-Based Coalitions – aligned with country priorities – have now been agreed and will help rally system-wide support in an agile manner.
- Knowledge Hubs are being rolled out to help make policy expertise – and experts - at the regional level more readily available to UN Country Teams and governments.
- We are moving ahead in the consolidation of regional capacities on data and statistics.
- Regional teams have developed 2021 workplans for more efficient business operations. And a transitional set of regional results reports has been made available.

Fourth, we are seeing progress on our commitments to transparency and results.

- Every day, our capacity to report on aggregate contributions of UN Country Teams to development results is getting stronger, drawing on new technologies. Our COVID-19 portal is a testament to that.
- Annual UN Country Team reports to host governments are now more timely and results-oriented, in line with country priorities.

- More than 70 joint evaluations were carried out by United Nations development system entities in 2020, and we have made steady progress towards the formal establishment of the UN Sustainable Development Group System-Wide Evaluation Office.
- In the coming days, I will ask the ACABQ to approve the creation of a Director position to head a stand-alone System-Wide Evaluation Office, supported by a small team. The Director will report directly to me, with the prerogative to share reports directly with the Economic and Social Council.

Fifth, we are making progress in securing more efficient business operations.

- Efficiency gains are estimated to have increased by 57 per cent between 2019 and 2020.
- Concretely, this means that an additional \$100 million was freed up for development activities rather than bureaucratic costs.

Excellencies,

Progress in these areas is encouraging and shows that the path we embarked on together in 2018 was indeed the right one.

But with the unprecedented scale of today's COVID-19 recovery and sustainable development challenges, it is clear we must go farther.

Allow me to highlight three of these crucial areas where more must be done.

First, we must rapidly consolidate more robust accountabilities and the appropriate presence and configuration at the country level.

Sixty-five per cent of United Nations entities indicate that they still have no formal requirement to derive their country programme outcomes from the UN Sustainable Development Cooperation Framework.

Three years on from the General Assembly's decision, this is disappointing.

This needs to change.

I am requesting the UN Sustainable Development Group to take the necessary steps to ensure that the new UN Country Team accountabilities fully take root.

Similarly, while non-resident United Nations agencies are engaging in the activities of the UN Country Teams like never before, we are not yet seeing tangible adjustments to country configurations by resident entities, to better adapt to changing needs on the ground.

I have therefore requested the UN Sustainable Development Group to develop a clear process to inform the reconfiguration with host governments of UN Country Teams. The second area where we must continue to invest is our ability to deliver integrated policy advice and to take partnerships to scale.

But to do so, we still need a significant change in mindset – from MDGs to SDGs.

Beyond project support, we all expect the UN Development System to bring knowledge and policy advice to bear on some of the seismic shifts needed to deliver the Sustainable Development Goals – from the green economy and digitalization to gender equality and social inclusion.

The new Resident Coordinator System has also made our convening power more evident. We can make a difference in mobilizing the partnerships, technologies and financing that countries urgently need.

But for this to happen at scale, it demands greater ambition.

The COVID-19 Financing for Development Initiative that I have undertaken with the Heads of Government of Canada and Jamaica showed what can be done.

And I am very grateful to ECOSOC's commitment in this regard.

It also facilitated a strengthening of relations between the United Nations, the International Monetary Fund, the World Bank and other International Financial Institutions.

It is high time that this be accelerated and implemented at the country level.

In this regard, I welcome the record allocation of Special Drawing Rights.

This must come with a reallocation, so that liquidity reaches countries that need it the most without additional problems.

I also commend the extension of the G20's Debt Service Suspension Initiative and the Common Framework for Debt Treatments.

But eligibility must be expanded to vulnerable middle-income countries, which are caught in the middle, still borrow at premium rates and risk debt distress.

The playing field remains deeply uneven.

A strengthening of the international debt architecture - as presented in my recent policy brief - is absolutely necessary.

The third area in need of greater action is funding -- of the UN development system overall, and of the Resident Coordinator system in particular.

The Funding Compact represents a crucial piece of the reforms, but implementation has been mixed at best.

I commend all partners for their ongoing efforts, and I welcome the progress on meeting targets on overall core resources for development and on inter-agency pooled funds.

But, and I must be very frank here, this is not nearly enough.

I am particularly concerned that the share of voluntary funding for development-related activities remains low... That funding to joint funds is far below expected levels... That the UN development system remains heavily reliant on a very small number of contributors... And that at a time when development support is needed most, we are seeing deep cuts.

Now is the time to see governments invest fully in the reforms, as a response that will be needed for the United Nations to help a strong and different recovery to achieve the SDGs.

I appeal to governments to give serious consideration to further capitalizing the Joint SDG Fund and similar joint funds.

The shortfall in funding for the Resident Coordinator system also undermines our shared objectives of a more effective, accountable and transparent United Nations development system.

In 2018, member states agreed on a tripartite funding model and we have successfully operationalized all three components.

And yet, the Resident Coordinator system had a funding shortfall of more than \$70 million in 2020, despite full payment of the UN Sustainable Development Group cost-sharing contributions and the levy contribution exceeding initial projections.

What was missing was voluntary contributions to reach the targets.

This is not predictable. Nor is it sustainable.

A well-resourced resident coordination system is essential to continue to bridge the gap between the resolutions of Member States to advance sustainable development and poverty eradication – and the actual resources on the ground to help make those resolutions a reality.

Let us be clear.

If we are making progress, it is because we can now count on a strengthened coordination function.

If we cannot sustain this drive, we may undermine our ability to maximize the results of these reforms, thereby further derailing our support to the 2030 Agenda.

But if we agree we are moving in the right direction, let us then commit to continue to invest in the path forward.

Early next month, I will share my proposals to strengthen the sustainability and predictability of the funding model in my report to Member States on the functioning of the reinvigorated Resident Coordinator System.

At this point, given the current levels of voluntary funding, I see no viable solution that would not entail increasing investments also through assessed contributions in some form.

The RC system needs to be owned by all Member States if Resident Coordinators are to be the impartial and competent catalysts that the new agenda requires.

This would also be a logical step as the Organization steps up to meet the SDGs over the decade up to 2030.

Development coordination is at the core.

More than ever, I am absolutely convinced that a more robust coordination function – at less than

1 per cent of the annual contributions for operational activities for development – brings immense value.

Excellencies,

In embarking on a reform journey in 2018, Member States have chosen a path of transformation, making the necessary changes for the system to help fulfil the ambitions of the 2030 Agenda.

As we take stock and review the direction of travel of the RC system, I count on your leadership to ensure we keep the promise and consolidate the progress achieved so far.

I am confident that, once again, we can do what is necessary, to go further – together.

Thank you for your continuous trust and leadership.

Together with the Deputy Secretary-General, we will be at your disposal for the discussion ahead.

Thank you very much.