

BACKGROUND NOTE

UPDATE ON THE IMPLEMENTATION OF GA RESOLUTION 72/279 ON THE “REPOSITIONING OF THE UNITED NATIONS DEVELOPMENT SYSTEM IN THE CONTEXT OF THE QCPR”

UNICEF Executive Board – First Regular Session 2019

1. In its decision 2018/15, paragraph 4, UNICEF’s Executive Board requested UNICEF to continue to engage with the Board to provide updates, with analysis, of the financial and other implications of General Assembly resolution 72/279 on ‘repositioning of the UN development system’. As such, UNICEF will provide updates to the Board at its Annual Session and both Regular Sessions in 2019. This background note is provided as an input to the first of these update sessions during the First Regular Session (5-7 February 2019).

I. Introduction

2. UNICEF continues to be fully committed to the reforms of the UN development system (UNDS) and to implementation of General Assembly resolution 72/279. The ambition of the SDGs calls for comprehensive and cross-cutting approaches to sustainable development, drawing on stronger integrated planning, strategic thinking, and policy advice, as well as new partnerships across public, private, civil society and multilateral actors.

3. The reforms reflect the need for the UN to take tailored and innovative approaches which break down silos between sectors, agencies, and government ministries, to develop inter-disciplinary responses to complex development challenges, and to increase transparency and accountability for system-wide results. By bringing together the expertise, assets and resources from across the UN system in support of national governments, we can multiply and sustain the direct benefit to children and their families – and become more cost efficient, as we put resources where they are needed most.

4. UNICEF’s support to the UNDS reform consists of various types of engagements. Firstly, UNICEF is providing leadership for the UN system in key areas such as private sector partnerships; country-level SDG data; SDG policy support; and business operations. Secondly, UNICEF is reviewing its internal systems and procedures to ensure they are harmonized with system-wide approaches being taken as part of the reform. And, thirdly, we continue to work to ensure staff at all levels – particularly at regional and country level – are continuously updated and well informed about the reforms and empowered to seize opportunities for implementation and new approaches on the ground.

5. Additionally, UNICEF continues to support the work of the UNDS Transition Team in the Executive Office of the Secretary-General. In 2018 UNICEF seconded Gunilla Olsson, a senior UNICEF staff member, to the Transition Team; in early January 2019, the SG named her Head of the Transition Team following the appointment of Robert Piper as the Assistant Secretary-General for the UN Development Coordination Office.

6. Looking ahead, there are still a number of key elements of the reform which are still underway or at a more preliminary stage. This includes the drafting of a system-wide strategic document (SWSD); the Multi-Country Office review; the regional review; and the conclusion of the Funding Compact. Many of these documents will be finalized and presented to the Economic and Social Council at its Operational Activities

Segment in May 2019. We expect these deliverables, and the deliberations of the Council, to have further implications for UNICEF, and we will continue to keep the Executive Board fully updated as the reforms continue to be shaped throughout the year.

II. Reinvigorating the role of the Resident Coordinator System

7. A key element of the UNDS reform is the establishment on an independent and impartial resident coordinator (RC) system. UNICEF is fully supportive of the new coordination system, and is committed to its successful roll out.

8. ***Strengthening Mutual Accountability in UN Country Teams:*** Central to the coordination system is the new Management and Accountability Framework (MAF), which defines the respective roles and accountabilities of both RCs and UN Country Team (UNCT) members. UNICEF has been closely engaged in the process to develop the new MAF, as well as the RC Generic Job Description.

9. Once the MAF is agreed and finalized, UNICEF will update its Generic Job Description for UNICEF Country Representatives, formally recognizing the RC's role and detailing the roles and responsibilities that Country Representatives have as UNCT members. We will aim for this language to be as consistent as possible with the language used by other agencies, funds and programmes.

10. Likewise, upon finalization of the MAF, UNICEF will insert performance indicators linked to UNCT results and processes in its performance assessment tool for all UNICEF Country Representatives. This will ensure that all UNICEF Representatives are regularly held accountable for their contribution to the collective results of the UNCT, and will facilitate the implementation of the matrixed, dual reporting model, as called for by the General Assembly.

11. ***Funding the Resident Coordinator System:*** On 5 November 2018, UNICEF transferred its doubled 2019 global contribution to the RC system of US\$ 8,320,752, in line with the agreed UN Sustainable Development Group (UNSDG) cost-sharing formula. UNICEF deposited its 2019 payment as early as possible, in line with the request of the Executive Board, making it the first agency to do so.

12. From 2020 onwards, the UNSDG will revise the formula used to determine each agency's contribution as part of the cost-sharing. UNICEF looks forward to participating in these negotiations later in 2019, and will subsequently update the Executive Board on any possible budgetary implications.

13. Following feedback from member states, the Deputy Secretary-General requested the UNDS Transition Team to finalize a communication to all stakeholders, outlining the various dimensions of the implementation of the 1 per cent coordination levy. In turn, the UNSDG Fiduciary Management and Oversight Group (FMOG), co-chaired by representatives from UNICEF and UNAIDS, was asked to develop common operational procedures across the system. UNICEF will operationalize the 1% coordination levy on tightly earmarked funding for development related activities.

14. The Deputy Secretary-General has also advised UNDS entities that we will need to carefully track the implications of the 1% levy throughout its implementation, including the impact on private sector engagement and transaction costs associated with various collection methods. Alongside the rest of the UN development system, UNICEF will keep member states updated on such implications.

15. ***Supporting the pool of Resident Coordinators:*** As of 31 December 2018, three Resident Coordinators globally were on secondment from UNICEF to UNDP. From 1 January 2019, these RCs have been seconded to the Secretariat. Throughout 2019, UNICEF will actively encourage increasing numbers of UNICEF staff to pursue RC roles as part of their career development, and support their application to the RC pool.

III. New Generation of UNDAFs and UNCTs in support of the 2030 Agenda

16. The reform calls for system-wide changes at country level to better support the SDGs and realize the promise of the 2030 Agenda. This includes a ‘new generation’ of UN Development Assistance Frameworks (UNDAFs) and UNCTs, with specific implications for analysis and planning, results reporting, policy support, SDG data collection and monitoring, and a more integrated operational response.

17. ***Improving system-wide analysis and planning:*** The collaborative UN process to develop the new UN Development Assistance Framework (UNDAF) guidelines is still underway, and expected to conclude at end of March 2019. As part of this process, UNICEF has led on the development of the chapter on ‘planning, implementation and monitoring’ for the new guidelines, and will continue to be closely engaged in all aspects of UNDAF design until finalization and agreement by the UNSDG at Principal level.

18. UNICEF’s existing guidance on Programme Strategy Notes (PSN), country programming, and developing Theories of Change, have all been used to inform and inspire the development of the new UNDAF guidelines. Development of new UNICEF Situation Analysis guidance and new Common Country Analysis (CCA) guidance have proceeded in parallel with concerted efforts to ensure these two approaches are mutually reinforcing. As soon as an advanced draft of the UNDAF guidance is available, UNICEF will review its own analysis and planning processes, in particular for the Country Programme Document (CPD), to assess whether any changes are ultimately required.

19. UNICEF is aiming to ensure that changes to the UNDAF process in 2019 have minimal impact on the development and approval of 2019 CPDs. For the time being, development of CPDs continues as planned, using the existing 2017 UNDAF guidance. So far, only three UNICEF country offices have indicated their intention to request an extension of their current CPDs in order to be able to use the new UNDAF guidance.

20. ***Supporting national governments with integrated SDG policy action:*** In late-2018 UNICEF completed an agency-wide consultation to prepare an internal strategy and guide for integrated support to SDG mainstreaming and acceleration at the country level. The scope of the strategy will be twofold, covering both integrated policy support to the 2030 Agenda through SDG mainstreaming, acceleration and financing efforts at country level; and support to SDG follow-up and review through Voluntary National Reviews and the High Level Political Forum (HLPF) at the intergovernmental level. The strategy is expected to help UNICEF better engage in UNCT efforts to support translation of the 2030 Agenda into national development plans and formulation of budgets and plans for transformative change, with a view to ensuring a child-rights lens as part of government- and UN-wide approaches. A draft of the strategy will be reviewed by UNICEF’s senior management in the first quarter of 2019.

21. Along these lines, UNICEF has already contributed to 19 country missions under the UN’s system-wide “Mainstreaming and Acceleration and Policy Support (MAPS)” approach. Furthermore, UNICEF coordinated the design of the UNSDG’s SDG Acceleration Toolkit to provide UNCTs and member states with access to tools for integrated analysis of SDGs, Leaving No One Behind, and undertaking risk-informed development planning.

22. As part of the UNSDG Strategic Results Group on SDG Implementation, UNICEF is co-leading (with UNDP and ILO) the task team on Integrated Policy Support. In 2019, this group will produce a number of key system-wide deliverables, including a set of best practices on how and when the UN development system needs to come together in the provision of an integrated policy support package for the 2030 Agenda at country level.

23. ***Tracking system-wide results:*** The UNSDG is developing UN INFO – a planning, monitoring and reporting system to track how the UN system at country level supports governments to deliver on the SDGs and the

2030 Agenda. This is an important exercise to enable a clearer picture of the UN development system’s collective efforts in support of the SDGs, and in ensuring accountability and transparency of system-wide results. UNICEF has already mapped its strategic plan results to the SDGs, and expenditure data is captured by SDG goal and target. Likewise, UNICEF results management systems already have the information required by UN INFO, so we are advocating for development by the UNDS of system integration points so country offices will not be required to cut and paste data from one system to another.

24. ***Improving SDG data:*** UNICEF recognizes the vital role of statistics and data in monitoring the SDGs, and the broader scope of official statistics needed given the strong child rights focus of the SDGs. As a result, the Division of Data, Research and Policy (DRP) has expanded its capacity in this area, making UNICEF one of the largest and strongest actors in the UN around data.

25. With UN DESA and the Economic Commission for Latin America and the Caribbean (ECLAC), UNICEF is co-leading the UNSDG task team on Country Level Monitoring and Reporting of SDGs. This task-team recognized from its inception that UNCTs are under-resourced – particularly in technical knowledge, but also expertise – to support Governments in SDG monitoring and reporting. UNCT members need to know what practical resources they can draw upon from across the UN System to give the necessary support. Accordingly, UNICEF is working with partners to produce a web-based toolkit with written materials and a “who to contact on what” so UNCTs can receive the direct support they need. The site will also have a “country calendar” to coordinate the many and varied workshops and support missions from across the UN.

26. Together with UN partner agencies, UNICEF is working to support members of the Inter-Agency and Experts Group (IAEG) on SDGs, in defining and governing the indicators for monitoring SDGs. UNICEF is the custodian of seven SDG indicators and co-custodian of ten more. This means UNICEF works closely with UN partners on those 17 indicators to collect data, ensure quality and international comparability, and support national statistics offices in the collection of data – ensuring DESA has access to those data for analysis and publication of SDGs globally.

27. As examples of how UNICEF is actively engaged: in January 2019, UNICEF co-hosted (with DESA and UN Women) a workshop on the practicalities of monitoring disparities in the SDGs to support the Leave No One Behind principle. And in 2018 UNICEF produced the first thematic SDG report looking at trajectories to 2030 (rather than just on status-quo ‘baseline’ analysis), though the main finding was a surprisingly lack of data to report on SDGs related to children. UNICEF is using this report to start a process of dialogue with High Income Countries on their large data gaps.

28. ***Strengthening staff capacities on SDGs:*** There is broad recognition of the need for staff training and capacity development in how best to support national Governments in achieving the SDGs, and the need for system-wide coherence and consistency in the design and delivery of SDG knowledge tools and programmes. In light of this, the Deputy Secretary-General has announced the establishment of a UN Learning Advisory Council for the 2030 Agenda. This Council will facilitate “a holistic and coordinated approach to the delivery of cutting-edge SDGs knowledge, learning and expertise across the UN development system”. UNICEF will work with the Learning Advisory Council to support the development and implementation of UN-wide approaches to SDG training, including for all new UNICEF Representatives in their role as UNCT members.

29. ***Strengthening the Coordination of Humanitarian and Peacebuilding Operations with Sustainable Development Activities:*** UNICEF is strongly committed to strengthening policies and programmes related to preparedness and peacebuilding so they are responsive to the needs of women and children. In 2018, UNICEF’s Guidance on Risk-informed Programming (GRIP) was finalized and has been rolled out already in more than 15 countries. When risk-informed programming is built into humanitarian response plans, it contributes to addressing underlying risk factors, promotes a ‘do-no-harm’ approach, strengthens short-

term preparedness, and can bolster existing service delivery systems. UNICEF has made sure that its preparedness process, outlined in the UNICEF Preparedness Procedure, is aligned with and supportive of the Inter-Agency Standing Committee (IASC)'s Emergency Response Preparedness approach.

30. In 2018 UNICEF joined a UN-wide initiative to develop a resilience framework. The process brought together staff working on peacebuilding, disaster risk reduction and climate change, and helped foster an understanding across specialist areas as well as between development and humanitarian practitioners. To inform the process, UNICEF co-led missions to Lebanon and Jamaica to consult with host governments, donors and other partners. The draft resilience framework has been submitted by UNDP to the Deputy Secretary-General.

31. This year, UNICEF will continue to work with UN partners to further strengthen common context analysis and shared conflict analysis, between humanitarian, development and peacebuilding actors, to better inform respective and collective response, including with respect to risk-informed programming. In UN Mission settings, UNICEF will also call for more systematic implementation of the UN Integration Policy, with an aim to advance appropriate collaboration to support peace consolidation, while protecting humanitarian space.

32. ***Reviewing the profile and structure of country and regional assets:*** UNICEF reviews its structures and profile of offices at the beginning of each four-year Strategic Plan period, and also during the mid-term review of the Strategic Plan. This helps determine UNICEF's presence and set-up at country level. UNICEF completed its review and profiling of offices in 2017 which took into consideration the establishment of the Global Shared Services Center. On an annual basis, some offices of divisions may submit a Programme Budget Review, in line with UNICEF Financial Regulations and Rules, if their circumstances have changed drastically compared to the time when the Strategic Plan or mid-term review was approved by the Executive Board. Beyond the normal practice of a few offices following this procedure, UNICEF does not envisage a further review of its country or regional assets in the next 12 months. The next mid-term Review for UNICEF will be presented to the Executive Board in 2020.

IV. Partnerships and Funding

33. The Funding Dialogue, convened with member states by the Deputy-Secretary-General, is still underway. UNICEF staff continue to engage closely with the Transition Team in preparing the draft, proposing commitments, and adjusting proposed indicators. We await the final agreement of the Compact within the Funding Dialogue by end of February 2019, at which stage we will assess actions required for UNICEF to meet its share of the commitments. The final Compact will also feed into the Structured Dialogue on Funding to be held by the UNICEF Executive Board in its Second Regular Session for 2019. In the meantime, there are several areas of focus for UNICEF and other UN agencies related to funding and partnerships.

34. ***Improving Financial Data:*** In recognition of the need to improve transparency of system-wide financial information, the UN High Level Committee on Management (HLCM) is working with the UNSDG to establish a UN "financial data cube" that is compatible with the SDGs. The cube will be able to provide internal and external stakeholders with a minimal set of UN-system wide financial data. UNICEF is closely engaged in this work and will ensure full reporting using this system, while continuing to publish all financial data in line with International Aid Transparency Initiative standards.

35. ***Strengthened approaches to pooled funding:*** Scaling up strategic approaches to pooled funding and increasing transparency and visibility of funding are two important elements of the forthcoming Funding Compact. In this regard, UNICEF will undertake in 2019 to collect and share experiences with Joint

Programmes and pooled funds with the views to better understand the advantages, challenges, best practices and options for using such instruments to drive collective results. UNICEF will also look at possible changes to its Results Assessment Module (RAM) to ensure it is best able to capture results coming from Joint Programmes and pooled funds, and – with UN partner agencies – consider changes to financial tracking systems to better attribute funds to the original donors rather than the Administrative UN agency.

36. **Joint Fund for the SDGs:** UNICEF has been engaged in the concept and design of the new Joint Fund for the SDGs since its inception, including through providing technical and substantive support on conceptualization of the fund, development of the theory of change, results framework, and the technical and operational manual. In 2019 UNICEF will continue to participate as a member of the Operational Steering Committee for oversight and management of the fund, and will provide active field support to Country Teams wishing to develop Joint Programmes under the fund. In 2018 UNICEF also seconded a Communications Expert to the Joint Fund Secretariat to boost its capacity.

37. **Strengthening Partnerships with Private Sector and Civil Society:** UNICEF Executive Director Henrietta H. Fore is co-chair of the UNSDG Strategic Results Group on Partnerships for the SDGs (with ILO Director General, Guy Ryder). This group aims to improve the UN development system’s collective approach to partnerships with the private sector, civil society and other stakeholders. In 2018 this group agreed a harmonized UN approach to due diligence for business sector partnerships, along with a proposal on shared research services to support common and consistent engagement with private sector. A common online platform to enhance access across UN agencies and from the field is also in development, as well as UNCT standards for multi stakeholder engagement in UNDAFs. UNICEF will continue its active leadership in this collective area of work throughout 2019.

38. In November 2018 UNICEF, together with UNHCR and WFP, successfully launched the UN Partner Portal – an online platform designed to simplify and harmonize UN processes for working with civil society partners, including national and international NGOs, community-based organizations, and academic institutions. The Partner Portal will enable civil society organizations to create profiles and share key information about themselves with the UN, and allow UN agencies to post partnership opportunities and solicit, receive, assess and select applications submitted by such organizations, as well as conduct harmonized due diligence verification.

V. Business Innovations and Efficiencies

39. As per the request in General Assembly 72/279, UNICEF is committed to realizing efficiency gains across the agency and the UN as a whole, in line with the Secretary-General’s five business reform targets in the areas of mutual recognition, client satisfaction, mainstreaming of Business Operations Strategies, common premises, and common back-offices. UNICEF has seconded two full time staff members to the UNSDG Business Innovations project team, in recognition of the importance of this work.

40. **Mutual recognition:** In November 2018, UNICEF signed on to the mainstreaming of mutual recognition of policies and procedures across the UN system, alongside UNHCR, WFP, UNDP, UNFPA and ILO. This statement commits our entities to implement the mutual recognition principle in specific areas including finance, human resources, procurement, logistics, information & communications technology, and facility services.

41. **Efficiencies from Business Operations:** Implementation of the Business Operations Strategy (BOS) is expected to deliver USD 8 million in annual cost avoidance for UNICEF by 2021. With a streamlined BOS

framework currently being prepared by the UNSDG Strategic Results Group on Business Innovations, UNICEF is committed to the SG's target of 100% of countries implementing the BOS by 2021.

42. UNICEF will consider outsourcing of specific tasks to other agencies if more value for money can be achieved, while its Global Shared Services Center (GSSC) is exploring the provision of services to other agencies where it is technically feasible and makes financial sense for both parties. The business case for this is still in the initial stages.

43. UNICEF carried out a major review and profiling of all offices at the establishment of the Global Shared Services Center and as part of the preparation of the 2018-2021 Strategic Plan. The savings that arose from the exercise are part of the approved budget for the 2018-21 period. Initial savings of US\$ 25 million from the GSSC, plus \$2 million from additional functions and automation, is expected.

44. Savings that UNICEF has made and anticipates making are critical in providing budgetary space to double UNICEF's cost-sharing contribution for the Resident Coordinator system, and to provide additional funds for programme activities in line with the mandate of UNICEF.

45. ***Moving towards common premises:*** The UNSDG task team on Common Premises has carried out an in-depth analysis of common premises, based on data from the UN Department of Safety and Security. UNICEF has co-led this process, and has also further strengthened the data on premises internally to confirm that roughly 36% of all premises are currently shared. This figure includes country offices, sub-national offices, and regional offices. UNICEF is undertaking deeper analysis to determine more accurately the cost impact of shifting to more common premises. UNICEF is also committed to lead on common premises in sub-national offices, where it is taking the lead in providing services in 32% of the 79 locations in which it is present.

VI. Conclusion

46. UNICEF embraces the vision of the 2030 Agenda and is fully committed to strengthening the collective approach of the UN development system in support of the SDGs. We will continue to engage closely in all aspects of the UNDS reform process – contributing UNICEF's leadership and expertise within the system where appropriate; making adjustments to UNICEF's practices and approaches where necessary to align with UNDS efforts; and promoting regular two-way learning and communication with UNICEF staff at all levels on the implications and opportunities of the UNDS reform.

47. The delinking of the Resident Coordinator System on 1 January 2019 marked a major step in the UNDS reform process, ushering a new era in the UN's work at country level. But, many elements of the reform are still underway. The ECOSOC Operational Activities Segment in May 2019 stands as the next important milestone in a year of transition. UNICEF looks forward to engaging closely with the Executive Board throughout 2019 on all aspects of reform implementation.