# Update on WFP's implementation of United Nations General Assembly resolution 72/279 (repositioning the United Nations development system)

## **Draft**



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World Food Programme Rome, Italy

#### Information Note on United Nations Development System reform

- 1. The Executive Board Bureau requested an update on WFP's implementation of United Nations General Assembly resolution 72/279,<sup>1</sup> on repositioning the United Nations development system (UNDS) and its financial and other implications for WFP. This information note lays out key updates for the Board's information at its second regular session of 2018. The focus of the paper will be on the progress of UNDS reform, the nature of WFP engagement with the reform efforts and the implications of reform for WFP, both in terms of opportunities and any anticipated risks.
- 2. The transition process and much of the work to operationalize the UNDS reform has only recently started. The full implications for WFP are thus not yet clear. This paper therefore serves as a preliminary analysis of those implications. WFP is closely following the work of the UNDS transition team in New York and liaising regularly with sister agencies and other key stakeholders at the New York and Rome levels to inform how the reforms are implemented and monitoring their potential implications.

#### 1. Background

- 3. Following a call by Member States in the 2016 quadrennial comprehensive policy review (QCPR)<sup>2</sup> for the UNDS to be "more strategic, accountable, transparent, collaborative, efficient, effective and results-oriented" and respond to national development needs and priorities in the light of the 2030 Agenda for Sustainable Development, the Secretary-General laid out his vision of how that could be achieved in a December 2017 report on repositioning the UNDS to deliver on the 2030 Agenda.<sup>3</sup> This outlined seven areas of proposed reforms,<sup>4</sup> which then informed Member States' considerations for their formulation of General Assembly resolution 72/279.<sup>1</sup>
- 4. WFP supports and is committed to the objectives of United Nations reform that focuses on better results on the ground and the attainment of the Sustainable Development Goals (SDGs). The continued growth in the number of hungry people in the world, reflected in a recent report on the state of food security and nutrition in the world, highlights the need for us to look at new and innovative approaches as well as better integrated multisectoral approaches and partnerships to achieve greater and more sustainable impact on the lives of the people we serve.

<sup>&</sup>lt;sup>1</sup> General Assembly resolution 72/279, Repositioning of the United Nations development system in the context of the QCPR of operational activities for development of the United Nations system. Available at http://undocs.org/a/res/72/279.

<sup>&</sup>lt;sup>2</sup> General Assembly resolution 71/243, Quadrennial comprehensive policy review of operational activities for development of the United Nations system. Available at http://undocs.org/A/RES/71/243.

<sup>&</sup>lt;sup>3</sup> Repositioning the United Nations development system to deliver on the 2030 Agenda: our promise for dignity, prosperity and peace on a healthy planet, Report of the Secretary-General (A/72/684). Available at http://undocs.org/A/72/684.

<sup>&</sup>lt;sup>4</sup> Areas of UNDS reform proposed by the Secretary-General include: A system-wide strategic document to accelerate UNDS alignment with Agenda

<sup>2030;</sup> a new generation of United Nations country teams; an empowered, impartial resident coordinator system; a revamped regional approach; improved transparency and accountability; a system-wide partnerships approach; and a funding Compact between the UNDS and Member States for more predictable and flexible funding in return for greater accountability.

<sup>&</sup>lt;sup>5</sup> Food and Agriculture Organization of the United Nations, International Fund for Agricultural Development, United Nations Children's Fund, World Food Programme and World Health Organization. 2018. *The State of Food Security and Nutrition in the World (SOFI): Building climate resilience for food security and nutrition (2018*). Available at https://www.wfp.org/content/2018-state-food-security-and-nutrition-world-sofi-report.

#### 1.1 How WFP has engaged with the reform process

- 5. WFP has been actively engaged in UNDS reform at all levels, including the creation of additional capacity in its New York office to advise on and coordinate engagement with the reform efforts and keep the organization updated on developments. At an inter-agency level, WFP's top management is actively engaged through the United Nations Sustainable Development Group (UNSDG), which serves as an operational decision-making body at the principals' level. WFP is also represented, at the Director level and above, in all four UNSDG strategic results groups, which are organized around key issues relating to the 2030 Agenda, on which the members of the UNDS need to come together to enhance the system's support for the SDGs. WFP's Executive Director is co-leading with the High Commissioner for Refugees, the Strategic Results Group on Business Innovations, which aims at greater consolidation of United Nations business operations and common premises, to improve service quality, effectiveness and efficiency.
- 6. In August 2017, WFP established a senior task team on United Nations reform to advise WFP's top management and bring an integrated corporate perspective to consideration of the implications of UNDS reform. This has included identifying areas of positive engagement and preparedness actions required by WFP across all reform streams. Concurrently, WFP's New York office provides regular updates to its headquarters and country leadership on the latest reform developments, including through participation in regional meetings of country representatives to update them and solicit feedback on reform efforts. WFP has also held workshops at headquarters to allow global and field leadership to engage in discussions on preparedness measures required, such as the development of new guidance for country representatives and means for enhanced engagement with the resident coordinator (RC) system. Another such workshop is planned to take place before the end of the year to review and finalize organizational preparedness measures ahead of the commencement of reform implementation from 1 January 2019.
- 7. A transition team has been put in place under the Deputy Secretary-General to oversee the UNDS transition process over the next 18–24 months. The team is working on the multiple strands of reform in parallel and to tight timelines. Some sequencing challenges have been noted between the various reform streams, most notably on agreeing on priorities for the UNDS in a system-wide strategic document that would ideally inform the shaping of other key strands such as the United Nations development assistance framework (UNDAF) system. WFP is actively engaged in the transition phase, and among other things is providing comprehensive feedback on the various plans for operationalizing the different strands of reform being developed, such as the implementation plan for the inception of a reinvigorated RC system. WFP is also actively participating in the development of frameworks, such as a revitalized UNDAF system, as part of the inter-agency UNDAF design team.

#### 2. A new generation of United Nations country teams

#### 2.1 Revitalized United Nations development assistance framework system

8. Resolution 72/279 calls for the UNDAF to become the most important instrument for the planning and implementation of United Nations development activities,<sup>6</sup> providing an opportunity for more coherent and prioritized United Nations support for national efforts to achieve the 2030 Agenda, including by addressing the root causes of humanitarian needs.

<sup>&</sup>lt;sup>6</sup> Resolution 72/279 envisages a "revitalized, strategic, flexible and results- and action-oriented of the UNDAF as the most important instrument for the planning and implementation of United Nations development activities in each country, in support of the implementation of the 2030 Agenda for Sustainable Development, to be prepared and finalized in full consultation and agreement with national Governments".

The inter-agency design team has begun efforts towards a redesign of the UNDAF and its associated guidelines, with an aimed-for completion date of March 2019. At the time of writing, the design team had formulated initial ideas about key building blocks that can shape the new UNDAF. The ideas covered matters including defining the UNDAF's purpose and scope; articulating the relationship between the UNDAF and United Nations entity country programme instruments; strengthening the common country analysis to facilitate real-time ongoing analysis; using a theory of change to shape UNDAF priorities; shaping mechanisms for collective UNDAF implementation, monitoring, evaluation and reporting; ensuring that transboundary and regional dimensions are reflected in UNDAFs; and agreeing on institutional arrangements for supporting the UNDAF process. Initial proposals will require further work and refinement, as discussions at a recent global meeting of RCs and among members of the UNSDG highlighted a sizeable divergence of views. Thinking on the UNDAF is therefore expected to evolve further before a conclusive approach is agreed to and the full implications for WFP then become evident.

- 9. Based on current thinking, the UNDAF is envisaged to become more strategic, flexible and results-oriented in line with resolution 72/279, and the ambition is for it to be developed within six months. WFP supports the strengthening of the UNDAF and the principle that it should be based on national development priorities and plans, seeking to address root causes of vulnerability and having an ultimate line of sight to the SDGs as localized to align with national context. WFP is well placed to respond to this approach in line with its own Strategic Plan and Integrated Road Map.
- WFP's view is that while the UNDAF would be the overarching vehicle for strategic direction-10. setting, programmatic details (including programme strategy, design and implementation arrangements) would be defined in agency country planning documents. WFP's country strategic plans would detail the specifics of the activities it would carry out and how, in line with the direction set by the UNDAF and based on a common analysis of the country context. The RC in a given country would be expected to convene and lead UNDAF planning discussions, drawing on among other things non-resident agencies and all United Nations regional assets to inform regional and transboundary considerations. WFP country leadership would lead consultations with government counterparts on WFP's country strategic plan, ensuring its alignment with the UNDAF.
- 11. WFP will continue to engage actively with efforts to further clarify and refine thinking on the new UNDAF. WFP may need to adjust its own programme guidance based on the UNDAF. It may also have to revisit programming processes, for example to look at ways in which the government-led zero hunger strategic reviews that it supports link to the new common country assessment approach.

#### 2.2 United Nations country team presence and composition

12. The reform envisages a new generation of United Nations country teams whose composition will be informed by needs identified in the UNDAFs. WFP supports such country-context-specific, needs-based presence and programming and has already taken steps to review its own country presence and operating models to ensure that it remains fit-for-purpose. WFP has the lightest footprint at the country level of similar-sized agencies. It is present in 83 countries only,<sup>7</sup> but with one of the most extensive presences at the field

<sup>&</sup>lt;sup>7</sup> The United Nations Children's Fund has 128 country programme offices covering 158 countries; the United Nations Development Programme has 129 programme country offices covering 170 countries; and the Office of the United Nations High Commissioner for Refugees is present in 130 countries, the International Organization for Migration in 147, the Food and Agriculture Organization of the United Nations in 133 and the United Nations Population Fund in 129.

(subnational) level.<sup>8</sup> As a consequence of having already undertaken rigorous efforts to ensure an appropriate presence, WFP does not envisage significant changes. In advance of the UNDS reform efforts, WFP's launch of its own country presence review sought to ensure that it was appropriately covering countries of greatest need using optimal operating models. WFP has embraced the use of more flexible operating models, including for the use of a representative to cover multiple locations, such as in Togo and Benin and more recently Eswatini.

#### 2.3 Multi-country offices

- 13. Resolution 72/279 recognizes that there is a need to ensure that multi-country offices<sup>9</sup> (MCO) are appropriately tailored and have the capacity to cater to the specific and growing needs of the countries they cover, particularly in the case of small island developing States (SIDS) in the context of the devastating impact of climate change. At the time of writing, an independent review of MCOs was expected to start soon. The review is expected to be highly consultative, particularly with regard to SIDS. It will review current MCO configurations and lessons learned from existing multi-country business models of United Nations entities.
- 14. The review is expected to result in recommendations on whether MCOs are fit to deliver on the 2030 Agenda; whether and how they can be enhanced for that purpose; and how they can be financially sustainable. Review findings are expected in March 2019, for presentation at the operational activities for the development segment of the United Nations Economic and Social Council (ECOSOC) in May 2019. Although the review is about RC offices, in SIDS contexts WFP is well placed to provide input as it has been expanding its efforts across the Caribbean and Pacific regions, working with national governments and regional bodies to enhance response to and preparedness for climate change impacts, including through enhanced shock-responsive social protection mechanisms.

#### 2.4 Common business operations and common premises

15. Efforts with regard to common business operations<sup>10</sup> and common premises are aimed at both improving service quality and seeking efficiency savings. The ambitious targets proposed by the Secretary-General<sup>11</sup> and endorsed by resolution 72/279 will require substantial work and investment up front. WFP has supported the establishment of a full-time inter-agency business innovations project team through staff contributions and also plans to contribute over USD 1 million in 2019 through a critical corporate initiative on UNDS reform, subject to the approval of the Executive Board. Initial start-up costs for this work, including through the establishment of a full-time project team, are estimated at USD 8.5 million, and it is expected that additional funds will be required subsequently. This will

<sup>&</sup>lt;sup>8</sup> In countries where WFP has a presence, 30 percent of its premises are at the national/country office level, while 70 percent are at the field level.

<sup>&</sup>lt;sup>9</sup> An MCO is an office for a collection of resident and non-resident United Nations agencies, funds and programmes that, under the leadership of one RC, provides development services to multiple countries. The RC system currently hosts eight MCOs, of which six serve SIDS. MCOs are currently located in Barbados (covering 10 countries), Jamaica (5 countries), Trinidad and Tobago (5 countries), Belize (2 countries) Mauritius (2 countries), Fiji (10 countries), Samoa (4 countries) and Malaysia (3 countries).

<sup>&</sup>lt;sup>10</sup> The United Nations Development Group Business Operation Strategy refers to back office functions in six services lines: procurement; information and communication technology; human resources; logistics; finance; and facility services (including common premises).

<sup>&</sup>lt;sup>11</sup> Operationalize mutual recognition of entities' business operations rules and regulations, policies and processes; enable culture change towards more customer-centric relationships through measurement of client satisfaction of all business operations services; ensure all United Nations country teams have business operations strategies in place by 2021; consolidation of 50 percent of United Nations offices in common premises by 2021; and consolidation into common back offices in all countries by 2022.

- go well beyond the resources of the agencies spearheading the work; notably, the United Nations Population fund,<sup>12</sup> the United Nations Development Programme, the United Nations Children's Fund, the United Nations High Commissioner for Refugees and WFP.
- 16. The initial efforts in this area in 2018 have focused on operationalizing the mutual recognition of entities' policies and processes as a means of enabling consolidation in common back offices at the country level by 2022. A strategy for consolidating locally delivered business services through a common back office at the country level is currently being developed, with a view to piloting an approach in a few countries in 2019. The approach will look to ensure that country offices of UNDS entities can get the high-quality services they need so that they can focus on their core mandates, enabling greater efficiency.
- 17. The scale of potential savings requires further analysis, and it will take some years to generate the aimed-for savings. Many of the gains to be made cannot be monetized or transferred to other uses, particularly in the case of agencies such as WFP whose funding is mainly earmarked.
- 18. In addition to WFP's Executive Director co-chairing the business innovations group, WFP is also chairing the United Nations inter-agency task team on common premises, with current efforts focused on in-depth analysis of United Nations premises worldwide to identify opportunities for consolidation. In countries where it operates, some 26 percent of WFP's facilities are currently in common premises. WFP is further supporting this vision through, for example, availing 75 guesthouses as a common service in 20 countries. Already 43 percent of guests using these guesthouses are non-WFP staff. Concurrently, WFP is supporting efforts to roll out a business operations strategy<sup>13</sup> promoting common services across all service lines. In WFP's case, some 40 percent of its country offices are already part of an approved business operations strategy. Moving forward it is expected that there will be a refocussing of country-level efforts through the strategy in areas that have been found to generate the most savings, notably local procurement, information technology, finance and facilities services.
- 19. In support of common service provision, WFP has recently established a humanitarian booking hub (humanitarianbooking.wfp.org), which provides 24/7 online access to critical enabling services for the humanitarian community, including bookings for 160 United Nations guesthouses, 286 flight destinations served by the United Nations Humanitarian Air Service and 45 United Nations clinics in more than 50 countries. This award-winning effort supports the United Nations reform vision of delivering customer-centred common operational back office functions and services, enabling economies of scale and harmonization of business procedures. In the first half of 2019 WFP will conclude an analysis of services that it can avail to the United Nations system and services that it can outsource to other United Nations entities.

#### 3. Reinvigorating the role of the resident coordinator system

#### 3.1 Transition of the resident coordinator system

20. The key tenet of the Secretary-General's reform vision is a reinvigorated, independent, impartial and empowered RC system aimed at improving sustainable development-focused coordination by separating the functions of RCs from those of United Nations Development

<sup>&</sup>lt;sup>12</sup> The United Nations Population fund is also representing the United Nations Education, Scientific and Cultural Organization and UN-Women.

<sup>&</sup>lt;sup>13</sup> See UNDG Business Operation Strategy Executive Summary. Available at https://undg.org/document/undg-business-operations-strategy-executive-summary/.

Programme resident representatives by 1 January 2019. The Secretary-General's implementation plan for the inception of a reinvigorated RC system foresees that the 129 RC positions and a first wave of Development Operations Coordination Office (DOCO) positions will move to the United Nations Secretariat by 1 January 2019.

#### 3.2 Roles and responsibilities under the reinvigorated resident coordinator system

- At the time of writing, a critical prerequisite for the governance of the reinvigorated RC 21. system, which is still forthcoming, will be the design of a new management and accountability framework that will guide mutual accountabilities of key stakeholders at the country, regional and global levels. It is envisaged that the country-level component of the framework will be formulated by the end of 2018 by the transition team together with an inter-agency design team and then reviewed and approved by the UNSDG. This will include the establishment of a clear, matrixed, dual reporting model, with country representatives accountable and reporting to their respective entities on individual mandates and accountable to the RC on their respective contributions to the collective results of the UNDS on the basis of the UNDAF, as well as providing periodic reports to the RC on their individual activities. WFP welcomes the enhanced leadership of RCs, who would play a fostering role and would be accountable for collective results outlined in the UNDAFs. WFP will look to play an active and constructive role in the process of redefining the management and accountability framework, building on the lessons from the system it already has in place, which allows RCs to provide input for appraisals of country representatives.
- 22. Meanwhile, a draft RC job description detailing the responsibilities of the empowered RC has been prepared and is currently under review by the UNSDG. While the job description is under review by the UNSDG, WFP continues to maintain that it will be important that RC empowerment not become about an authoritarian approach but rather that it recognize the important role of RCs convening, coordinating and enabling the work of United Nations country teams. This should include ensuring that WFP country representatives, in delivering WFP's mandate, are able to fully exercise their representational role, including at all levels of State and engaging at all levels of government as required, as delegated to them by the Executive Director and enshrined in the General Rules and Regulations of the organization. WFP country representatives should continue to have full access to local donors to raise funds for programmes approved by the Board, ensuring appropriate coordination with the RC and the United Nations country team. WFP has provided feedback to this effect via the UNSDG and continues to maintain that these issues be unambiguously clarified to avoid differing interpretations in each country and to ensure that the nature of the relationship between RCs and the United Nations country teams is clear.
- 23. Once the management and accountability framework and the RC job description have been concluded, WFP envisages that there will need to be a realignment of RC skill requirements to reflect the role, including by ensuring that humanitarian expertise is a key part of the selection, assessment and training of RCs in relevant country contexts. The UNSDG is revisiting the RC assessment centre approach to reflect new skill requirements. It is intended that RCs and country representatives will need to go through an SDG training and certification process, which is being developed under the auspices of the UNSDG. By early next year, WFP will also review the job description of its own country representatives and update them to ensure that they are aligned with the new RC job description. WFP will review and update programme and other guidance materials to support its country representatives in their engagement with the reinvigorated RC system in-country.
- 24. The reinvigorated RC system will be managed by a revamped stand-alone DOCO, the purpose, scope and scale of which is still under discussion, including on issues of clarifying responsibilities vis-à-vis other entities (agencies, funds and programmes) and bodies (such as the regional UNSDG). Resolution 72/279 requests a stand-alone DOCO that reports to the

- Chair of the UNSDG (the Deputy Secretary-General) and is under the collective ownership of the members of the UNSDG. The way in which such collective ownership will be operationalized still needs to be laid out.
- 25. There is an opportunity for WFP to support the RC system more extensively through its own personnel. WFP currently has only four active RCs three percent of the 129 total. Moving forward, WFP intends to engage more expansively with the RC system, including by putting forward a career development approach that enables the secondment of staff to RC positions and RC offices. This process will require that it be made easier to return to WFP following an assignment as RC or to an RC office.

#### 3.3 Funding the resident coordinator system

- 26. Critical to the establishment of the reinvigorated RC system will be securing the required funding. The estimate for this has been reduced from some USD290 million yearly to USD281 million yearly, including a USD35 million discretionary fund for RCs to fund coordination efforts, including for UNDAFs. Resolution 72/279 envisages the required funding to be derived through a hybrid funding model. WFP has already agreed to double its contribution to the UNSDG cost-share and is making arrangements to make payment of the required USD2.9 million for the launch of the reinvigorated RC system. The cost-share formula maintains an exemption for humanitarian funding. WFP will work with the UNSDG to devise a new cost-share formula to be enacted from 2020 to include the expanded UNSDG, under which the humanitarian exemption is expected to remain in place.
- 27. A 1 percent coordination levy on tightly earmarked third-party non-core contributions to United Nations development-related activities, to be paid at source, is the second component of the hybrid funding model. A technical note<sup>16</sup> issued by the Secretariat qualified the definition of "tightly earmarked non-core contributions" as "grants earmarked by the contributor(s) to a specific programme or project of a specific UN entity." This excludes humanitarian assistance related activities. At time of writing the specifics of the definition were still under discussion.
- 28. WFP has made preliminary estimates of the implications of the levy based on its understanding of the definition. Based on contributions for activities under WFP's "Root causes" focus area (a development focus area) that meet the definition of tightly earmarked funding for development activities contributions, some USD2.1 million in 2017 and USD1 million in 2018 would have gone towards the levy. This figure would vary from year to year depending on the nature of contributions received.
- 29. At the time of writing, it is understood that donors recommend that "at source" collection of the levy be operationalized by United Nations agencies. Operationalization of the levy by WFP will include, among other things, setting up a collection and transfer mechanism for it. This will require some system and procedural changes, which will add to transaction and administrative costs that WFP has been working to minimize. In addition, specific provisions will need to be included in contribution agreements with donors regarding the levy's collection, transfer to the Secretariat's RC trust fund and treatment of the levy. Some modifications will have to be made to our corporate enterprise resource planning system to

 $<sup>^{\</sup>rm 14}$  This figure has recently been revised down to USD281 million by the transition team.

<sup>&</sup>lt;sup>15</sup> This hybrid funding model of three parts includes a 1 percent coordination levy on tightly earmarked third-party non-core contributions to United Nations development-related activities, to be paid at source; a doubling of the amount due under the current UNSDG cost-sharing arrangement; and voluntary, predictable, multi-year contributions to a dedicated trust fund to support the inception period.

<sup>&</sup>lt;sup>16</sup> United Nations Secretariat, "Technical Note: Funding the reinvigorated Resident Coordinator System" (April 2018). Available at https://www.un.org/ecosoc/sites/www.un.org.ecosoc/files/files/en/qcpr/RC\_system\_funding-Technical\_Note.pdf.

- ensure that contributions subject to the levy are appropriately tagged. WFP would also have to provide clear guidance to its country offices to ensure that contribution agreements negotiated at country level with local donors cater appropriately for the levy.
- 30. WFP remains concerned about the implications of the levy, both in terms of the additional administrative and transactional burden it will place on the organization and the disincentive it can pose to new funding, especially from non-state entities (private sector, foundations, etc.) at a time when WFP is trying to diversify its donor base. We therefore support the Secretary-General's call for non-state entities to be exempted. WFP continues to advocate multilateral, multi-year funding. It would further encourage donors to see the levy as additional to programme funds. While WFP welcomes improved and enhanced coordination, it will be important that it not be achieved at the expense of funding for programme implementation.

#### 4. Revamping the regional approach

- 31. Resolution 72/279 endorses the Secretary-General's phased approach to revamping the UNDS at the regional level and calls for the process to address gaps and overlaps. The first phase of the regional reform that is under way includes a series of measures to optimize functions and enhance collaboration at the regional and subregional levels efforts that are envisaged to be undertaken by the end of 2018. This includes actions such as including all regional economic commissions<sup>17</sup> in the respective regional UNSDG peer support group mechanisms that support the development and review of UNDAFs; regional economic commissions, in consultation with relevant regional directors, inviting RCs to participate in regional conferences and platforms; and, within six months of assuming their roles, RCs undertaking familiarization visits to the regional economic commissions and key regional offices.
- 32. The process for the second phase of the regional review was being formulated at time of writing with a terms of reference for the approach not yet ready. It is envisaged that this phase will involve an independent review and aim for a region-by-region long-term reprofiling and restructuring of United Nations regional assets to ensure their best use in support of country efforts towards the 2030 Agenda, with options to be presented to the ECOSOC operational activities for development segment in May 2019.
- 33. WFP will actively participate in both phases of the regional review, as it did in the earlier review undertaken in 2017. WFP's regional directors, as part of the regional UNSDG, have already contributed to a thought paper of the West and Central Africa, and Eastern and Southern Africa regional United Nations development groups. The paper proposes measures to increase the coherence of the regional approach, including to address cross-border issues.

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<sup>&</sup>lt;sup>17</sup> There are a number of regional entities that the regional reform will consider. These include the regional economic commissions, which are mandated to promote economic integration and address regional level issues, including by producing research and policy reports and convening governments and other stakeholders; regional offices of specialized agencies, funds, and programmes, which support the country offices of their agencies, while some also deliver country programming directly from regional and subregional offices; regional UNSDG teams and secretariats, which bring together the regional directors of relevant agencies, funds and programmes to provide coherent support to United Nations country teams through policy guidance, technical support, quality assurance in respect of UNDAFs, standard operating procedures, RC performance management, dispute resolution and troubleshooting and, where relevant, programmatic policy and analytical services and products.

# 5. Strategic direction, oversight and accountability for system-wide results

- 34. Resolution 72/279 stresses the need for improved UNDS transparency and accountability. Principal accountabilities will remain at the country level between the United Nations country team and the host government. At the global level, improved monitoring and reporting on system-wide results and a strengthening of independent system-wide evaluation measures and capacities should be coupled with continued practical measures to enhance the working methods of the Boards<sup>18</sup> and the repositioning of the ECOSOC operational activities for development segment.
- 35. WFP supports efforts to improve the collection and transparency of system-wide results and, in line with calls by the Secretary-General in his December report, supports efforts to achieve system-wide enrolment in the International Aid Transparency Initiative (IATI). In 2016, WFP ranked first of 473 organizations in IATI's financial transparency rating.
- 36. The reform efforts provide an opportunity to strengthen the collective accountability of the UNDS. In order for system-wide reporting to yield meaningful results measurement at the country and global levels, there is an urgent need to put in place the required system-wide tools for harmonized results gathering while ensuring reporting that is timely, not heavy or duplicative, and preserving attention to individual agency results. Current implementation planning envisages a process for annual reporting on system-wide results to be in place by 2021. The details of how this will be implemented are still being worked out and WFP intends to be fully engaged in this exercise. At the time of writing it remains unclear whether a system-wide evaluation function will also be established in support of these efforts, but WFP is ready to avail its evaluation capacity and experience to support selective system-wide evaluations that can facilitate the presentation of results to Member States.

### 6. Funding the United Nations development system

- 37. In his December 2017 report, the Secretary-General put forward the concept of a funding compact between the UNDS and Member States to improve the quality and predictability of resources allocated to the UNDS, in return for greater effectiveness, transparency and accountability on system-wide results. At the time of writing, a series of funding dialogues with Member States were in their early stages, working towards a compact. The process includes two parallel tracks: a technical track to unpack potential commitments on both sides, including reviewing funding trends; and a second track that will result in a paper by January 2019 towards a proposed compact. That will build on the principles of mutual accountability, transparency, diversity and results with a country focus. WFP is closely following and participating in the process as it evolves.
- 38. As an agency that is fully dependent on voluntary funding, WFP supports the opportunity of a funding compact that seeks to deliver more flexible and predictable funding and that looks to explore and implement new approaches to innovative financing.
- 39. Proposals towards attainment of the funding compact are also encouraging a doubling of pooled funding that can facilitate more joint programming and working by the United Nations. WFP recognizes the value of pooled funds to support the attainment of collective outcomes but would encourage that they be additional to current agency funding. Expanded pooled funding should build on the lessons of existing pooled funds to avoid the risk of additional layers of bureaucracy over and above existing accountability systems and

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<sup>&</sup>lt;sup>18</sup> See Joint response of the Executive Board secretariats of UNDP/UNFPA/UNOPS, UNICEF, UN-Women and WFP on Executive Board working methods (WFP/EB.2/2018/12/1).

- structures. WFP has actively engaged in the evolution of the joint fund for the SDGs and sees this as an opportunity to support efforts to accelerate progress against the SDGs.
- 40. In return for greater funding quantity and quality, WFP is supportive of efforts to achieve improved transparency and accountability, as noted in section 5 above. Through the Integrated Road Map and its new financial framework, WFP aims at more efficient resource management and transparency. WFP would encourage that efforts towards enhanced system-wide reporting do not become overly burdensome or duplicative.

# 7. Following up on the repositioning efforts of the United Nations development system at the global, regional and country levels

To further enhance system-wide efforts in support of the 2030 Agenda, resolution 72/279 41. requests the heads of UNDS entities, under the leadership of the Secretary-General, to submit a system-wide strategic document for Member States' consideration during the ECOSOC operational activities for development segment planned for May 2019. This document should be aligned with resolution 72/279 and resolution 71/243 on the 2016 quadrennial comprehensive performance review. 19 Building on efforts to support Member States in their efforts towards the 2030 Agenda, this document will aim to articulate the UNDS members' collective offer to the development effort in the context of the SDGs, highlighting the comparative advantage of the UNDS. It also intends to address gaps and overlaps in the system's coverage and provide recommendations for addressing them, identifying comparative advantages and improving the inter-agency approach in support of efforts towards the 2030 Agenda and in accordance with the respective mandates of the UNDS members. It is envisaged that it will connect the reforms under way with expected results, establishing a framework for annual exchange between the UNDS and Member States to identify progress and any course corrections required. The system-wide strategic document is expected to be prepared under the oversight of the UNSDG, with a finalized draft intended to be submitted to ECOSOC in March 2019 for further consideration during the operational activities for development segment in May 2019. WFP plans to actively participate in and support this process.

#### 8. Conclusions and next steps

- 42. WFP will continue to closely follow and actively engage with the reform process at all levels. A challenge to date remains the parallel development of different reform streams, which in our view requires a level of sequencing between them; this includes most notably the system-wide strategic document, which would ideally inform the shaping of other key elements such as the UNDAF.
- 43. Similarly, the development of thinking towards a revitalized UNDAF is challenged in the absence of a new management and accountability framework. An immediate priority is therefore, the detailing of the framework to ensure clear roles, responsibilities and accountabilities of RCs and United Nations country teams to ensure clarity regarding the implications of change on the ground from 1 January 2019 and to enable WFP and other entities to structure guidance for their country representatives. Concurrently, the structure of the new DOCO and processes for management of the RC system need to be finalized to further inform guidance for country representatives.
- 44. With the onset of the forthcoming regional and MCO reviews, WFP envisages active engagement to reflect the value it can add in those contexts. WFP will also continue to

<sup>&</sup>lt;sup>19</sup> Resolution 71/243, QCPR of operational activities for development of the United Nations system; December 2016. Available at https://undocs.org/A/RES/71/243.

- actively co-lead efforts towards common business operations and common premises and will actively engage in the funding dialogue that is expected to commence in earnest shortly.
- 45. With the interlinked nature of reforms and the pace of change required, WFP will continue to work with all stakeholders to monitor developments, actively engage in inter-agency forums and discussions, contribute to proposed ways forward and seek to mitigate any change management risks, particularly with regard to operations on the ground. As additional aspects of reform are detailed for operationalization, WFP will continue to reflect on and prepare for their implications.

## Acronyms used in the document

DOCO Development Operations Coordination Office

ECOSOC Economic and Social Council

IATI International Aid Transparency Initiative

QCPR quadrennial comprehensive policy review

RC resident coordinator

SDG Sustainable Development Goals

SIDS small island developing States

UNDAF United Nations development assistance framework

UNDS United Nations development system

UNSDG United Nations Sustainable Development Group

MCO multi-country offices