



development dialogue paper
no.18 | july 2016

Navigating a Path Forward on the Reform of the UN Development System

By Bruce Jenks and Lisa Orrenius

Churchill once famously said that 'democracy is the worst form of government except for all the others'. Applied to the UN Development System (UNDS), one would have very good reasons for believing that the highly decentralised character of the UNDS provides the worst form of governance imaginable except for the principle alternative that is commonly proposed: a highly centralised organisation.¹

The founding principle on which the UNDS was built was the positive energy that would bring communities of interest together. Diversity was seen as a core strength. Thus the UNDS is in significant part constituted by entities that have their own constitutions, conferences, governing bodies, secretariats and, above all, constituents. For over half a century, since the late 50's, the objective of national development brought to the fore the need for UN system coherence; the fragmentation of the UN system was seen as detrimental to this purpose. By 2006, the High Level Panel on System-wide Coherence had become a synonym for the Reform Panel.

Despite this focus, attempts to find a solution to the scourge of fragmentation through centralisation have in reality been half-hearted. Reform has inevitably retreated from being a system wide exercise to focusing on those programmes and funds under the authority of the UN General Assembly and the Secretary General, recognising that the many specialised agencies were beyond the remit of the UN organisation. The final report from the Independent Team of Advisors (ITA) to the ECOSOC dialogue process² is no different in this respect.

A repositioned UNDS beyond funds and programmes

The focus on coherence and centralisation has for decades been aligned with the challenge of making a 25-billion-dollar operational development system more effective. It remains highly relevant to specific development challenges today, in particular the effectiveness of the UNDS in countries affected by fragility and protracted crises.

But the rapidly changing world that we live in and the 2030 Agenda for Sustainable Development requires a repositioning by the UNDS in the great majority of the countries, especially middle income countries. To align the UNDS to the challenges identified by the 2030 Agenda requires a reconciliation between the strength that lies in having diverse assets with the need for strategic focus. We refer to this reconciliation later in this note as embracing the principle of strategic pluralism. The objective can no longer be to conquer fragmentation through centralisation. Centralisation will not yield world class integrated policy services, quite to the contrary. The objective must now be to identify those specific elements that would enable solutions to be achieved by leveraging a range of assets that can be combined across the system. *The UNDS needs to be aligned to solve concrete problems, not to be internally coherent.*

A reform push that only includes the specialised agencies at the margin would fundamentally diminish the relevance of the UNDS to the 2030 Agenda. The change and reform initiatives now needed necessitate inclusion of the whole UN Development System.

The time may well have come to provide leadership to the UNDS through the creation of a Deputy Secretary-General (DSG) post for this purpose.³ But the purpose of such leadership would not be to provide hierarchical coherence but to provide the fulcrum necessary to leverage the diverse assets that exist within the system for joint solutions. *A UNDS aligned to support the 2030 Agenda needs to be driven by finding solutions, not redrawing organisational charts.*

Core system-level functions

Against this background, what are the set of core functions which need to be exercised at a system level in order for the UNDS to provide effective support to the 2030 Agenda?

- We must ensure that the UNDS is able to play its critical role in **delivering the 2030 Agenda** in fragile states/ Least Developed Countries (LDCs). For 49 LDCs (33 of these also considered fragile states) with a population of almost 900 million that have limited access to external resources as well as very limited internal capacity, both the role of ODA in volume terms and the role of the UNDS will remain highly significant. In too many cases expectations of the UNDS are not met. In this category of countries, there is need for greater clarity in the command and control structures. Bridging the humanitarian and development divide in this set of countries is a very high priority.

- There seems to be a very clear consensus that one of the **UN's most vital tasks relates to its normative agenda**. The adoption of the 2030 Agenda provides a historical opportunity to translate this Agenda into a normative instrument. In a rapidly changing world, the web of normative frameworks that lie at the foundation of so many of the processes of an inclusive globalisation need to be nurtured, perhaps adapted and certainly strengthened. Repeatedly, in many different fora, the international community has stressed the unique role the UN has to play in this sphere. Norms are generated by specialised agencies, funds and programmes. What is needed is UN system level leadership that positions the normative agenda as a critical contribution of the multilateral system. Not least does this require the UNDS to take this opportunity to move beyond the separation that the UN promoted almost 20 years ago in the name of reform between the normative and the operational areas.

- The UNDS must be **empowered to support middle income countries in delivering the 2030 Agenda** through integrated policy support. The call for integrated policy support is one of the key elements in the vision behind the new global Agenda. It needs to be recognised that there is an increasingly competitive market for these types of services and many countries have the capacity to identify and finance the very best

services available in the market. The relevance of the UNDS in many middle-income countries will depend in large part on whether the UNDS organises itself to provide this type of support. The current profile of the UNDS in a large number of middle-income countries is not sustainable. New models need to be developed that address issues related to the quality of services offered, the financing model and leadership. Countries should be encouraged to experiment with a new model of the UNDS' presence in middle-income countries. What is required is nothing less than a new type of Resident Coordinator (RC) office in the great majority of middle income countries. The RC's office of the future will be less about coordination and more about policy leadership; they will be less staffed with project managers and more with policy specialists. Of particular relevance to effective policy integration will be the dimensions of good governance and addressing sustainability.

In addition, system-wide headquarters innovation initiatives should be constructed around specific thematic priorities where it is widely perceived that the capacity of the UNDS to be a credible partner would be greatly strengthened by a more integrated arrangement. The 2030 Agenda requires reform to go well beyond field level; changes will need to be implemented at all levels: at headquarters, in regions and in countries.

• **Partnerships have always been central to the UN's vision of its role and they are deeply embedded in the history of UN system organisations.** The challenge is the changing role of partnerships in a truly global economy and how best to harness partnerships to support UN goals as endorsed by the international community.

Over the last five years or more, many of the agencies, programs and funds of the UN system have developed formal partnership strategies in consultation with their governing bodies. Each of these strategies relates to a particular set of circumstances and the specificity of each experience needs to be respected. However, at a system level, in a world where many goals are being shaped by ever increasing numbers of partnerships, the UN needs a strategic ability to assess these experiences and draw some conclusions for the strategic positioning of the system as a whole. Without this ability, the UN is condemning itself to be nothing more than the sum of its parts. ***Strategic pluralists see pluralism as the bedrock of the system, an asset in the form of webs of networks that need to be strategically leveraged.*** Leveraging and working through partnerships is driven by the external reality. The unique asset which the UN has in a multi-polar and multi-stakeholder world is the ability to provide a platform which can leverage solutions to global challenges. If the UN is strategic and uses the convening

power of the Secretary-General highly selectively, it can be a truly formidable instrument in today's changing development landscape.

Missing! Strategic system-wide capacity

Current system-wide organisational arrangements under consideration are designed to ensure greater coordination and coherence. But they preclude the idea of a strategic brain that would serve the system as a whole. Calls for more strategic capacity in the UN system to mobilise the assets of the system as a whole have a long history – and have been met for the most part with resistance.

The changing development landscape and the implications of the 2030 Agenda suggest it is time to revisit this issue and set the ambition beyond coordination and coherence. Across a broad range of priority issues, the need for more strategic positioning has become all too apparent.

Examples are the need to identify and organise system-wide integrated policy support; the need to strengthen system-wide normative and standard setting agendas; the setting up of system-wide SDG monitoring mechanisms; the capacity to leverage multi-stakeholder partnerships to find solutions to pressing problems; the need to explore system wide innovative forms of financing; and the need to be able to convene and facilitate agreements requiring collective response.

As an example, let us consider further the challenges posed by the emergence of a class of development issues which require a collective response to have any chance of finding a solution. Generating a collective response requires agreement to be reached on the allocation of responsibility. This in turn requires highly credible and accurate monitoring to ensure free riding does not take place. Giving institutional expression to the exercise of collective responsibility is far more ambitious than the initial step of being a convener and facilitator of conferences. This in turn requires high-level strategic capacity and commitment.

What is striking today is the lack of any capacity for review of the strategic positioning of the UN system as a system at a time that has seen the most radical changes in the external environment affecting the role and functioning of the organisation.

Conclusion: Subsidiarity vs. joint system action

A clear consensus that has emerged from the ECOSOC Dialogue has been the need for form to follow function.

The focus of this note has been to define a set of functions that are required at the system level. Broadly speaking, the principle of subsidiarity should prevail—where matters are handled by the smallest, lowest or

least centralised authority— except where the case for system level action is agreed.

So the first question to ask is whether the functions as described above meet the subsidiarity test. If the answer is broadly yes, then two questions logically follow:

- How much does it cost to perform these functions? (and what kind of finance?)
- How should these functions be organised?

Realistically the options are limited. This should make engaging in serious consultations a feasible proposition. The proposals, explicit or implicit, regarding the establishment of a DSG post, the proper arrangements for the way UNDS organises itself in countries affected by fragility and protracted crises, the humanitarian/development divide, the future positioning of UNDP as well as other entities, the financing envelope – all these and more need to be addressed directly and constructively.

The ECOSOC reform dialogue

Between December 2015 and July 2016, an intergovernmental dialogue on reform of the UN development system has been conducted, under the auspices of ECOSOC. The dialogue, mandated in ECOSOC resolution 2014/14, would in a transparent and inclusive manner focus on the longer-term positioning of the UN development system in the context of the 2030 Agenda for Sustainable Development. In particular, the interlinkages between the areas of functions, funding practices, governance structures, organizational arrangements, capacity and impact and partnership approaches would be discussed. The outcome of the process is expected to both serve as a concrete key input to the upcoming quadrennial comprehensive policy review (QCPR) of the General Assembly for the period 2017–2020, as well as to provide guidance on longer-term reform in response to the requirements of the 2030 Agenda.

End Notes

¹This paper draws heavily from A Nine Point Agenda published by the Dag Hammarskjöld Foundation (December 2015)

² <https://www.un.org/ecosoc/sites/www.un.org.ecosoc/files/files/en/qcpr/ita-findings-and-conclusions-16-jun-2016.pdf>

³The creation of a Deputy Secretary general post for Sustainable development is one of the proposals in the final paper “Findings and Conclusions” submitted by the Independent Team of Advisors to the ECOSOC dialogue process in June 2016.

⁴ System level should not be confused with headquarters level. System level refers to the collection of entities that contribute to UNDS. It can refer to either headquarters or country level, or both.



Bruce Jenks is an Adjunct Professor at the Columbia University School of International and Public Affairs and lectures at the University of Geneva. He is a fellow at the Center for International Cooperation (CIC) at NYU and has been a senior non-resident fellow at the Corporate Social Responsibility initiative of the Harvard Kennedy School of Government. Dr. Jenks served the United Nations for almost thirty years, most recently (2000–2010) as Assistant Secretary-General at UNDP. Dr. Jenks has co-authored the study “UN Development at a Crossroads”. Since 2010, he has consulted with a number of organisations and serves as a Senior Advisor for the Dag Hammarskjöld Foundation.



Lisa Orrenius is Head of the Foundation’s New York Office and Programme Manager for UN Development System Renewal. Over the past 10 years she has worked for several UN organisations, such as the United Nations Development Programme (UNDP), UN Women, and the Office of the High Commissioner for Human Rights (OHCHR) with a focus on development, human rights, coordination, as well as business efficiency and leadership development. Her work has taken her from Guatemala to New York, Zimbabwe, Brussels and now again to New York. Lisa holds a Masters of Law from the University of Lund.

The Development Dialogue paper series is published by the Dag Hammarskjöld Foundation and aims to provide analysis and practical recommendations on important development issues.



Dag Hammarskjöld
Foundation

www.daghammarskjold.se
secretariat@daghammarskjold.se