Unpacking the UN’s Development System Reform

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Executive Summary

On January 1, 2019, a far-reaching reform of the UN development system went into effect. This was referred to by the deputy secretary-general as “the most ambitious reform of the United Nations development system in decades.” While this reform has only briefly been in place, questions have already arisen about its implementation and implications. The changes brought about by the reform can be assessed at the headquarters, regional, and country levels.

At UN headquarters, the reform has reconfigured the UN Sustainable Development Group, which is now managed by a new stand-alone Development Coordination Office headed by an assistant secretary-general. Moreover, in an effort to make funding more predictable and flexible, the secretary-general put forward a Funding Compact in 2019. While this compact funds the development system through a combination of voluntary contributions, a cost-sharing arrangement among UN development system entities, and a 1 percent levy on earmarked contributions to UN development activities, it does not provide much-needed core funding.

Regional-level reform has been one of the most complex endeavors of the overall reform effort. This is because member states have not been able to agree on these reforms, which need to be adapted to the specificities of each of the five UN regions. The secretary-general has made five recommendations for regional-level reform, which member states will consider in 2020. In addition, the secretary-general has provided options for strengthening the UN’s eight multi-country offices.

At the country level, the UN has sought to make resident coordinators (RCs) more independent, impartial, and empowered. This has involved delinking the RC from the UN Development Programme, giving RCs more direct access to the secretary-general, increasing the capacity of RCs’ offices, and putting them in charge of coordinating country-level sustainable development cooperation frameworks. The secretary-general has also called for a new generation of UN country teams that are more responsive, better integrated, and more impactful.

More than a year into the reform of the UN development system, significant progress has been made, but it is too early to assess the reform’s long-term impact. What is clear, however, is that bringing about change of this scope will require the UN to adapt not only its structure but also its way of working.
Introduction

Throughout its lifespan, the UN system has gone through various waves of reforms. When Secretary-General António Guterres took office in January 2017, he presented a reform plan covering five areas: “(1) renewed focus on prevention and sustaining peace; (2) a new UN Office of Counter-Terrorism; (3) reform of the UN development system; (4) restructuring of the peace and security architecture; and (5) management reform.” The proposals highlighted the pressing need to work across silos, including in the peace and security and development pillars. While other UN secretaries-general had mainly focused on reforming the peace and security pillar, Guterres also took on development reform.

This proposal came several years after a major development milestone. In September 2015, member states adopted the 2030 Agenda for Sustainable Development, which established a “comprehensive, far-reaching and people-centered set of universal and transformative [Sustainable Development Goals] and targets.” This agenda is one of the most ambitious road maps for inclusive development and includes specific targets and timelines for its implementation. It connects issues of peace and development, poverty eradication, and climate change while seeking to address the unfinished business of the Millennium Development Goals.

With the adoption of the 2030 Agenda, the UN system had to transform the way it works to match the agenda’s ambition and scope. With this in mind, in the 2016 quadrennial comprehensive policy review (QCPR) of the operational activities of the UN system, the General Assembly called for a thorough review of the UN development system. Following this review, in June 2018, member states adopted a comprehensive resolution on repositioning the UN development system to support the implementation of the 2030 Agenda.

This reform transitioned the UN to a new generation of country teams led by an empowered, impartial, and independent resident coordinator (RC) and supported by a strengthened resident coordinator’s office. Under the reform, the UN country teams (UNCTs) are guided by sustainable development cooperation frameworks (formerly UN development assistance frameworks). The reform also strengthens the UN’s multi-country office structure and creates a new funding compact to guide financial support for the implementation of the reform process. In addition, the resolution emphasized national leadership and ownership. On January 1, 2019, the development system reform went into effect.

According to the deputy secretary-general, the reform is “the most ambitious reform of the UN development system in decades.” It affects the entire UN system at headquarters and in the field. Although the reform has only been in place for a short time, and some elements are still being rolled out, it has already prompted questions about its implementation and implications, both for program delivery in the field and for management and coordination at headquarters. There are also concerns about how it connects to the prevention agenda and UN management reform.

In parallel to these reforms within the UN Secretariat, the intergovernmental bodies of the UN have also been aligning themselves with the 2030 Agenda. The UN Economic and Social Council (ECOSOC) and General Assembly have been discussing how to better align their activities.
and reduce overlap. Moreover, ECOSOC’s 2020 High-Level Political Forum will follow up on the last ten years of the implementation of the 2030 Agenda. During the 2020 QCPR, member states are also likely to reflect on the reforms and offer guidance on the next four years of their implementation.

This issue brief aims to contribute to the understanding of these ongoing changes and their significance. It provides a detailed overview of the UN development system reform, highlighting why it was undertaken and identifying some of the political and bureaucratic complexities it entails.

The Role and Purpose of the UN Development System

The UN development system is the biggest multilateral development actor. In 2015 alone, it accounted for $18.4 billion, or 33 percent, of the UN’s multilateral aid. Its functions range from providing a forum for dialogue, making decisions, and setting norms to conducting research and advocacy and providing technical assistance and humanitarian aid. The UN development system is a vast and decentralized ecosystem primarily composed of programs, funds, and specialized agencies, all with different leadership, budgets, and governance structures. While funds and programs such as the UN Development Programme (UNDP), UNICEF, the UN Environment Programme, and the World Food Programme have intergovernmental boards, they also report to the secretary-general. Specialized agencies such as the International Labour Organization, UNESCO, and the Food and Agriculture Organization do not have a direct reporting line to the secretary-general but have negotiated programmatic and policy agreements with the UN. The sheer number of these organizations and their differing structures make it hard for the UN development system to speak with a common voice, especially at the country level.

The central focus of the UN development system is to support countries in implementing the UN’s development agenda. This agenda began with the Millennium Development Goals (MDGs) in 2000 and subsequently evolved into the 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs). The UN General Assembly adopted the 2030 Agenda in 2015 as a “blueprint to achieve a better and more sustainable future for all.” In addition to expanding the approach of the MDGs by bringing new issues such as peace, justice, and climate change into the development system, the SDGs are interlinked and interdependent. Moreover, while the MDGs were largely seen as a UN agenda, the 2030 Agenda enjoys greater member-state ownership and allows governments to be in control of both implementing it and monitoring its progress.

Both the complexity of the SDGs and the highly decentralized nature of the UN development system motivated the push for reform. Member states agreed that the UN development system was not working effectively, resources were not being used efficiently, and a lack of joint strategic planning was leading to duplication of work and competition for funds. Additionally, the UN development assistance frameworks (UNDAFs), which were meant to be the main documents guiding the UN development system at the country level, were not serving this purpose in practice.

The reform of the UN development system started with the General Assembly’s landmark resolution on the 2016 quadrennial comprehensive policy review (QCPR). This resolution recognized the complexity of the SDGs and called for a more “strategic, accountable, transparent, collaborative, efficient, effective and results-oriented” system. It

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10 Interview with UN official, New York, February 2020.
also requested the secretary-general to prepare suggestions on how to better equip the UN development system to support the implementation of the 2030 Agenda. This led to a process of broad consultation with stakeholders to look at the capacities and gaps across all UN entities carrying out operational activities for the development and implementation of the 2030 Agenda.

As a first step, in March 2017 the secretary-general appointed Deputy Secretary-General Amina Mohammed as the chair of the UN Sustainable Development Group (UNSDG) and coordinator of all UN activities related to development, a function previously held by UNDP. Her appointment at the helm of the reform process reflects its strategic importance for both the UN Secretariat and member states.

In December 2017, the secretary-general presented his ambitious package of proposals to member states in two consecutive reports anchored in three guiding principles: “reinforcing national ownership; developing country-contextual responses; and ensuring effective delivery of development results on the ground.” The reports set out the major changes required for the UN development system to support the 2030 Agenda more coherently, accountably, and effectively. This included “significant changes in the set up, leadership, accountability mechanisms and capacities of the UN development system... to ensure that it is positioned to provide countries with the support they need to achieve the Sustainable Development Goals.”

Five months later, in May 2018, the General Assembly decided on a package of reforms, emphasizing the need for greater cooperation between the RC and the host government to ensure “national leadership and ownership.” While the resolution was largely in line with the secretary-general’s proposal, member states rejected his suggestion that they should fund the new RC system through assessed contributions. Nonetheless, the resolution ushered in “the most comprehensive reform of the United Nations development system in decades.”

### The Reforms in Practice at the Headquarters, Regional, and Country Levels

The UN development system reform, including the restructuring of the resident coordinator system, has brought about several major changes. At headquarters, there have been efforts to develop a system to oversee the implementation of the reform agenda on the ground, including the reconfiguration of the UN Sustainable Development Group and the agreement of a Funding Compact. At the regional level, the focus has been on ensuring that all available assets are used in a more effective and efficient way, including by strengthening multi-country offices. At the country level, the reforms call for a new generation of UN country teams (UNCTs) centered on sustainable development cooperation frameworks and led by impartial, independent, and empowered resident coordinators.

### Reforms at UN Headquarters

At UN headquarters, the development system reform reconfigured the UN Sustainable Development Group (UNSDG). The UNSDG is the high-level interagency forum for joint policy formulation and decision making across the UN development system. It is chaired by the UN deputy secretary-general, with the UNDP administrator serving as vice chair, and coordinates development operations in 165 countries and territories. On January 1, 2019, the Development Operations Coordination Office (DOCO)—which had been managed by UNDP—was replaced by a stand-alone, strengthened Development Coordination Office.
Office (DCO) situated in the UN Secretariat. DCO is headed by an assistant secretary-general who reports directly to the deputy secretary-general and chair of the UNSDG. DCO manages and oversees the RC system and provides advisory services to the UNCTs, drawing on advice from all the members of the UNSDG. DCO is mandated to support the work of the UNSDG as its secretariat and to promote the change and innovation needed to implement the SDGs at the country level.\(^{17}\)

The reform also changed the way funding is channeled through the UN development system. A 2017 analysis found that 91 percent of this funding consists of voluntary contributions that are tightly earmarked to specific agencies, funds, and programs.\(^{18}\) Restrictive funding of this nature can lead to unnecessary competition between UN entities, which often end up courting the same donor for similar programs. This sets up a win-lose scenario and can lead to inefficiencies. In addition, donors tend to earmark funding for priorities they see as attractive, even if these do not align with governments’ national development plans. This can distort the mandates of UNCTs, limit their flexibility, and erode trust between the host government and the UN. While “tightly earmarked resources can be useful in very specific instances” when tied to specialized and relevant initiatives, too much earmarked funding can undermine coherence, joint programming, flexibility, and the pursuit of common results.\(^{19}\) This funding also tends to be unpredictable and short-term, which can make it difficult to engage in strategic planning.

To shift toward more predictable and flexible funding, the UN General Assembly requested the secretary-general to develop a Funding Compact, which he released in March 2019 following consultations with member states and four UN entities in the UNSDG.\(^{20}\) The secretary-general estimated that $281 million per year would be needed to fund the RC system. This estimate included $246 million for RCs and the staffing and operating costs of 131 RCs’ offices and UNDCO, as well as $35 million for a dedicated fund for RCs to use to support joint initiatives and activities with UNCTs and host governments.

The secretary-general had initially hoped that most of that money would come from assessed contributions. However, a few countries that are large contributors to the UN rejected the proposal, as it would have increased their financial obligations to the UN. Instead, these member states proposed a hybrid model for funding the RC system (see Figure 1). Managed by DCO, the model comprises three funding streams: voluntary contributions, a cost-sharing arrangement among UNSDG entities, and a 1 percent levy on earmarked contributions to UN development activities.

This compact, as described by the deputy secretary-general, “binds the UN entities together with clear measurements of progress and a shared responsibility amongst each entity to reach those targets.” It also “provides a measurable, tangible commitment of Member States to ensure a more adequate funding base for the UN to better support the 2030 Agenda.”\(^{21}\) It is made up of a total of twenty-two commitments—eight by member states and fourteen by the UNSDG—with fifty indicators and targets.\(^{22}\) In the compact, member states commit to increasing both core and non-core funding through interagency and single agency thematic funds by 2023 and to increasing annual contributions to the Joint SDG Fund for the 2030 Agenda and the Peacebuilding Fund by 2020.\(^{23}\) The compact


\(^{20}\) UN General Assembly Resolution 72/279 (May 31, 2018), UN Doc. A/RES/72/279.

\(^{21}\) Ana Maria Lebada, “UN Deputy Secretary-General Presents Final Draft of Funding Compact,” International Institute for Sustainable Development, March 7, 2019.


\(^{23}\) The goals of this compact include increasing the following for development-related activities: core funding for the UN development system to 30 percent of voluntary funding by 2023; non-core funding through interagency pooled funds to 10 percent by 2023; non-core funding through single agency thematic funds to 6 percent by 2023; funding for the Joint Fund for the 2030 Agenda from $43 million in 2018 to $290 million by 2020; and annual contributions to the Peacebuilding Fund from $129 million in 2018 to $500 million by 2020.
Figure 1. Overview of the Funding Compact

Why a Funding Compact?
A partnership to deliver better results on the ground

**Member States**
- contribute more core resources
- double contributions to pooled and thematic funds
- increase multi-year commitments

**A Funding Compact**
- makes it possible to
  - plan strategically
  - offer coordinated and integrated solutions
  - act quickly
  - leverage development and climate finance

**UN Development System**
- works jointly for common objectives
- improves transparency and reports better on resources, results, and impact
- increases efficiency

also aims to broaden the sources of funding for the UN development system and to make funding for UNSDG entities, implementation of the sustainable development cooperation frameworks, and the RC system more predictable.\textsuperscript{24}

In 2019, the Fifth Committee of the General Assembly approved a regular budget appropriation request of $13.6 million for the UN Secretariat’s cost-sharing portion of the compact that year. Forty member states responded to calls for rapid mobilization of voluntary resources, providing an additional $119 million.\textsuperscript{25} Overall in 2019, total resources, including contributions to the Special Purpose Trust Fund for the RC system, amounted to close to $223 million in pledges, commitments, and contributions received, leaving a gap of approximately $58 million.\textsuperscript{26} However, the funding gap has not affected the roll-out of the reform.

While this three-pronged funding approach has generated attention, core funding remains essential to effective programming. It gives programs more flexibility to adapt to circumstances on the ground, encourages the “cross-cutting, holistic development solutions that the 2030 Agenda requires,” and allows UNCTs to respond to requests by national governments. Furthermore, core resources are central to the UN’s ability to convene, one of the institution’s comparative advantages at the country level.\textsuperscript{27} The flexibility of core resources also allows the UN to better respond to the particular needs of individual countries and to support programs working toward all the SDGs instead of cherry-picking programs to support depending on the availability of funding.

### Reforms at the Regional Level

While reform at the country and global levels has been agreed upon and is being rolled out, reform at the regional level has been slower because member states have not been able to come to an agreement on what direction to take. This is in part because any reform proposal needs to be tailored to each of the UN’s five regions, which differ considerably in terms of their development needs and the governance and capacity of the UN’s regional architecture. As the deputy secretary-general has stated, reform at the regional level “has been one of the most complex endeavors in this reform effort.”\textsuperscript{28}

As of December 2018, “regional assets of the United Nations development system encompass approximately 7,900 staff and 2,800 consultants, with an annual budget of almost $1.6 billion across 24 entities.” Additionally, there are five regional commissions that have a high profile and are well resourced, with a total budget of $308 million a year, 2,278 staff, and over 1,000 contractors.\textsuperscript{29} The regional commissions differ in their composition and outreach and have varying levels of buy-in from member states.

In 2019, the secretary-general’s report to ECOSOC made five recommendations for reforming the UN development system at the regional level:

1. Create a unified mechanism for coordination in each region, to be called the UN regional collaborative platform;
2. Establish knowledge management hubs in each region by pooling resources and assets;
3. Initiate a process to enhance transparency and results-based management;

24 UN General Assembly and ECOSOC, Funding Compact, UN Doc. A/74/73/Add.1–E/2019/4/Add.1, April 15, 2019.
27 UN General Assembly and ECOSOC, Funding Compact, UN Doc. A/74/73/Add.1–E/2019/4/Add.1, April 15, 2019, p. 6.
4. Initiate a region-by-region change management process to consolidate capacities for data and statistics; and

5. Identify administrative services that the UN development system could be providing more effectively.\(^{30}\)

In 2020, member states will consider the recommendations and decide on a course of action. While all these recommendations are relevant, each region presents unique challenges. These changes should help regional commissions be more responsive and effective. However, there is also a risk that the regional commissions that have already been working effectively, such as the Economic Commission for Latin America and the Caribbean, could see these efforts as taking away their independence to work closely with member states without having to deal with cumbersome bureaucratic processes.

The development system reform has also led to a review of the role of the UN’s multi-country offices (MCOs). There are eight MCOs covering forty-one countries and territories (thirty-eight of which are small island developing states). These offices emerged over the years in an ad hoc manner to maintain a physical presence for the UN in places where UNCTs would not be able to operate efficiently.\(^{31}\) Most countries covered by MCOs are middle-income but highly vulnerable, particularly to the growing threat of climate change. The General Assembly’s QCPR resolution thus mandated a revision of the capacity of these offices to better support small island development states, whose “needs have long been bypassed.”\(^{32}\)

In response, the secretary-general conducted a review of these offices in 2019 to better understand the specific challenges of the countries they serve. This review involved visiting fifteen small island developing states covered by the MCOs and speaking with all governments covered by the offices. The review team engaged with a range of stakeholders, including heads of state and government, ministers and other government officials, UN leaders and country teams, and development partners across all sectors.\(^{33}\) While many of the findings reflect challenges faced by other countries, the territories and countries covered by the MCOs differ in certain areas, from “population size, economic advancement and progress on the SDGs, to national capacities, degree of remoteness and local needs and priorities.”\(^{34}\) Following this review, the secretary-general communicated his findings and provided options for enhancing the performance and role of the MCOs. These include increasing their capacity and ensuring that they are tailored to their region, and providing them more resources.\(^{35}\)

Reforms at the Country Level

Central to the reforms at the country level were changes to the resident coordinator (RC) system. The QCPR concluded that the RC needed to be independent, impartial, and empowered. In many cases, the RC was not perceived as having these qualities. One of the challenges was that before the development system reform, the same individual was both UNDP’s resident representative and the UN’s resident coordinator. The person in this role thus reported to the UNDP administrator in New York as both the designated representative of UNDP and the coordinator of the UNCT as a whole. This required the RC to balance representing UNDP and the coordinator of the UNCT as a whole. This required the RC to balance representing UNDP with representing all the other UN agencies in the country. As a result, some criticized RCs for being loyal to UNDP’s interests instead of being a collaborating partner effectively representing the entire UN system.\(^{36}\)

In an effort to make the RC more impartial, the new system delinks the RC’s function from that of

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\(^{30}\) Ibid, pp. 27–28.


\(^{33}\) UN Deputy Secretary-General, “Report of the Secretary-General,” UN Doc. A/74/73–E/2019/14, April 2019.

\(^{34}\) UN Deputy Secretary-General, Press Release, May 22, 2019.


\(^{36}\) UN Secretary-General, “Deputy Secretary-General’s Remarks at Briefing to Member States on the Multi-Country (MCO) and Regional Reviews,” January 29, 2020.

\(^{36}\) Interviews with high-level officials from UNDP, May 2019; Interviews with UN field personnel, June 2019.
the UNDP resident representative.\textsuperscript{37} Resident representatives remain UNDP’s official representatives in-country, while RCs coordinate the whole UNCT as the “highest-ranking representatives of the United Nations development system.”\textsuperscript{38} They now have an operational mandate to coordinate UN entities and assets on the ground to advance sustainable development. This frees RCs to “fully focus on coordinating United Nations support for the 2030 Agenda, while also ensuring that UNDP can focus its undivided attention on reasserting its role as the world’s leading poverty eradication programme.”\textsuperscript{39} In addition, the RC is responsible for strategic planning, integrated policy support, system-wide monitoring and evaluation, strategic partnerships, and prevention. RCs are meant to work across the humanitarian-development-peace nexus where the UNCT has a mandate for such activities and to support the implementation of sustaining peace at the country level both within the UN and by national actors.\textsuperscript{40}

The UN has also tried to make the RC more empowered and independent by shifting reporting lines. RCs now have a direct line to the secretary-general and deputy secretary-general in an effort to boost their leadership and credibility both in-country and at headquarters.\textsuperscript{41} In addition, RCs are expected to report to the host government on the implementation of the UN sustainable development cooperation framework.\textsuperscript{42} Moreover, all UNCT members have dual reporting lines, reporting not only to their respective agencies but also periodically to the RC on issues relating to implementing the 2030 Agenda. These new reporting lines, both at the country level and at headquarters, are expected to create more “robust lines of accountability, from UNCTs to host governments, from the Resident Coordinator to the Secretary-General, as well as between Resident Coordinators and heads of UN entities at the country level.”\textsuperscript{43}

Governments also have a role to play in empowering RCs. Currently, governments tend to speak to the head of whichever UN entity is most relevant to the issue at hand. According to one host-government official, “The country team works best where governments are invested in the UN system working in an integrated manner and where the coordinating role of the resident coordinator is respected.”\textsuperscript{44} This requires governments to include RCs in conversations with individual agencies and to convey the message that they intend to deal mainly with RCs as the coordinators of cooperation frameworks.

To enable RCs to take on this new role, the development system reform also aims to increase the capacity of their office. The office of RCs is now staffed with a team of five: a strategic planner, an economist, a data and monitoring and evaluation officer, a partnerships and development finance officer, and a communications and advocacy officer. DCO is also working to increase financing for RCs’ offices by helping them “have all of the UN resources available, not only with the resources at [their] disposal on the ground but also other funds and programs that do not have [a] country presence such as the Peacebuilding Fund and [the] UN Conference on Trade and Development.”\textsuperscript{45} Such resources will be essential, as RCs will no longer have the resources or operational support of UNDP, leaving their level of financial and programmatic capacity unclear.

The influence of RCs will depend on their personality, leadership, capacity to pool resources and coordinate among agencies, and ability to engage governments on sensitive issues like human rights
and internal conflicts while maintaining their trust. This may require changing the recruitment process for RCs to ensure that those appointed have the profile and skills needed, depending on the country context. There has been some progress on this front, with the deputy secretary-general recently reporting that “the selection and assessment system is being critically reviewed and revamped.... It will be fully aligned with the new job description of resident coordinators and the leadership capabilities of the United Nations leadership model.”

Alongside these changes to the RC system, the UN redesigned the UN development assistance framework (UNDAF), renaming it the sustainable development cooperation framework. This framework is now “the most important instrument for planning and implementation of United Nations development activities in each country, in support of the implementation of the 2030 Agenda.”

Previously, the UNDAF was seen as an aggregation of the programming of UN agencies rather than a strategy to direct programming. Furthermore, it was sometimes disconnected from national priorities and provided limited accountability to national governments if its goals were not achieved.

The sustainable development cooperation frameworks, by contrast, are meant to be driven by national governments and to build off the UN’s collective value in the country, drawing on national development plans and a common country analysis. The internal guidance on the cooperation frameworks concluded that the timeline for designing them needs to be shorter than it was for the UNDAF (around six to nine months versus around fourteen and a half months). Shortening the process should enable the cooperation frameworks to better align with national planning cycles. The process is also meant to involve more dialogue between the host state and the UNCT, facilitated by the RC. These discussions should focus on whether there is a need to revise the composition of the UNCT on the ground to support implementation. In addition, the internal guidance recommends that the cooperation frameworks should be comprehensive to ensure that they address the drivers of risks, vulnerabilities, and needs as well as cross-border issues such as health emergencies, migration, and climate change.

The secretary-general has also called for a new generation of UNCTs that are more responsive, better integrated, and more impactful. He called for a modular approach to UNCTs, with their configuration tailored to each country’s national priorities. This can ensure that governments have consistent access to the UN’s expertise in the areas they need it most. The reform aims to make UNCTs more efficient through greater use of common back offices, joint representation, and co-hosting and collocation arrangements. UNCTs will also be able to draw on the strengthened regional commissions and the UN Sustainable Development Group’s regional teams for additional technical capacities to support national efforts.

However, government officials involved in negotiating cooperation frameworks have encountered some challenges during the process. The UN is still struggling to understand that governments should define their own development priorities and remains resistant to adapting ongoing programs.

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48 Ibid.
50 This also ties into the management reform, which aims to streamline operational support to UNCTs.
51 Ibid.
framework without coordinating with each other. Overall, the sentiment of these government officials is that the UN needs to change its organizational behavior and deepen its understanding of how to work as an integrated system.

**Conclusion: Moving Forward**

More than a year into the reform of the UN development system, significant progress has been made. The UN has issued guidance on a variety of processes, from the reporting and accountability structures for RCs and the UN development system as a whole to the Funding Compact and sustainable development cooperation frameworks. In addition, the Development Coordination Office and some RCs’ offices are slowly building their capacities and increasing their funding.

Despite this promising start, the implementation of the reform is both politically and operationally complex, and it is still too early to tell what its overall results and impact will be. The reform has been deemed “unparalleled in scope” because of the breadth of change it calls for on the global, regional, and country levels across all the entities of the UN development system and UN country teams. This will require not only structural change in the UN development system but also a change in its working culture. Lack of communication and competition among UN agencies persist. The UN needs to be open to changing the way it works both internally and with external counterparts, including governments, civil society, and the private sector. The reform will also require the buy-in of senior and mid-level UN staff in headquarters and in the field.

The implementation of the reform also faces financial challenges. While the UN’s ongoing financial crisis does not seem to be affecting the reform process yet, the fact that most of the funding for the UN development system comes from voluntary contributions leaves it vulnerable. Ultimately, the reform will require both the UN and member states to increase their financial support to the UN development system to ensure that it is able to provide the “high-quality, integrated and tailored support that the 2030 Agenda requires.”

Moreover, the impact of the COVID-19 pandemic on the UN development system reform and progress toward the 2030 Agenda remains unclear. The 2020 report from the UNSDG highlights how DCO is supporting the response to COVID-19, mainly through RCs and by leveraging the leadership roles of UNDP and the World Health Organization on the ground. This pandemic presents the revamped RC system with a challenge that was not envisioned during the process of negotiating the reform.

Expectations among member states are high that this reform will reposition the UN development system to better support the implementation of the 2030 Agenda. While member states recognize that the UN is still in the early days of the implementation of the reform, many are already asking questions about its impact and relevance. There is also a growing call for concrete evidence of how the reform is contributing to delivering on the 2030 Agenda.

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