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Operational activities of the United Nations for international development cooperation: follow-up to policy recommendations of the General Assembly and the Council

Development Coordination Office

Report of the Chair of the United Nations Sustainable Development Group

Summary

In its landmark resolution [72/279](#), the General Assembly decided to fundamentally transform the development coordination system of the United Nations to better respond to the 2030 Agenda for Sustainable Development, with a reinvigorated, empowered and independent resident coordinator system at its helm. The resident coordinator function, which has been delinked from the United Nations Development Programme, is now fully dedicated to coordinating development activities on the ground.

In the resolution, the General Assembly also requested the Chair of the United Nations Sustainable Development Group to present a comprehensive report on an annual basis, including on the operational, administrative and financing aspects of the activities of the newly established Development Coordination Office, to the Economic and Social Council at its operational activities for development segment. The present report is the first such report. It should be seen as a transitional update, coming only a few months after the establishment of a reinvigorated resident coordinator system on 1 January 2019 and the related transformation of the Development Operations Coordination Office into the Development Coordination Office, a stand-alone coordination office within the Secretariat.

A strengthened Development Coordination Office is critical to the success of the new resident coordinator system. Headed by an Assistant Secretary-General, who reports directly to the Deputy Secretary-General and Chair of the United Nations Sustainable Development Group, the Development Coordination Office assumed managerial and oversight functions of the new resident coordinator system in January 2019, in addition to responsibility for responding to the heightened needs and demands of the United Nations country teams and the United Nations Sustainable Development

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Group, particularly in the current transitional period. The new resident coordinator system brings together the capacity, reach and impact of the United Nations development system with the expertise of national partners in order to support sustainable development more coherently, effectively and efficiently. It is the cornerstone that serves to enable a coherent and well-coordinated response by the United Nations country teams in the delivery of integrated support across the Sustainable Development Goals, for the achievement of national development priorities and needs.

The General Assembly decided to fund the resident coordinator system through a hybrid model composed of three funding streams: voluntary contributions, a cost-sharing arrangement among the entities of the United Nations Sustainable Development Group and an innovative levy on tightly earmarked contributions to United Nations development activities.

Since the adoption of resolution [72/279](#), the Organization has moved quickly to achieve the ambitious goals of repositioning the United Nations development system and ensuring a successful transition to a reinvigorated resident coordinator system. Thanks to joint efforts with Member States, the United Nations is fully on track. Moving forward, as the new resident coordinator system continues to be strengthened as part of a wider set of reforms to reposition the United Nations development system, continued leadership and ownership by all Member States and every entity of the United Nations Sustainable Development Group will be critical to maximize the impact of the changes mandated by the General Assembly.

The present report should be read as a companion to the 2019 report of the Secretary-General on the implementation of General Assembly resolution [71/243](#) on the quadrennial comprehensive policy review of operational activities for development of the United Nations system ([A/74/73-E/2019/4](#)). Together, the present report and the report of the Secretary-General will provide clarity on all mandates for repositioning the United Nations development system. All transformative measures under way are interlinked and mutually reinforcing. The present report provides an update on one of the most important components in a broader and far-reaching reform effort.

I. Introduction

1. By its resolution [72/279](#), the General Assembly created a dedicated, independent, impartial, empowered and sustainable development-focused coordination function for the United Nations development system by separating the functions of the resident coordinator from those of the resident representative of the United Nations Development Programme (UNDP). The Assembly also endorsed the transformation of the Development Operations Coordination Office into a stand-alone coordination office within the Secretariat. Renamed the Development Coordination Office, it reports to the Chair of the United Nations Sustainable Development Group. The discussions of the Economic and Social Council held between 2014 and 2016 on ensuring that the United Nations was “fit for purpose” and on Assembly resolution [71/243](#), a landmark resolution in which the Assembly called for a United Nations development system that was more accountable and results-oriented, paved the way for the adoption of resolution [72/279](#) and the significant reorganization of the coordination function.

2. At the heart of the transformation of the coordination function are the resident coordinators, who are designated representatives of the Secretary-General for development operations at the country level. The 129 resident coordinators are the cornerstone of a coherent and well-coordinated United Nations development system capable of delivering integrated support across the Sustainable Development Goals for the achievement of national development priorities. The resident coordinators lead the implementation of the United Nations Development Assistance Framework – recently redesigned and renamed the United Nations Sustainable Development Cooperation Framework – to respond to national priorities and needs. The reform enables resident coordinators to provide full-time,¹ independent leadership for United Nations coordination at the country level, working collaboratively with the United Nations country teams, guiding strategic policy and enabling innovative partnerships and investments for the Goals. Internal agreements, such as management accountability frameworks, facilitate joint and collaborative work and strengthen accountability for integrated results at the country level.

3. At the global level, the strengthened Development Coordination Office is intended to support the work of the Group, promote the change and innovation needed to deliver sustainable development, and respond to the ambitious demands and expectations ushered in by the 2030 Agenda for Sustainable Development. The operationalization of the Office and its transfer to the Secretariat was undertaken in that spirit, with the support of UNDP; the Department of Management, the Office of Legal Affairs and other Secretariat offices; and the transition team for the repositioning of the United Nations development system.

4. The Development Coordination Office provides managerial and oversight functions for the resident coordinators. Its activities are advanced through collective ownership by the Group. The Office acts as a key conduit for supporting the Organization’s operational activities for development, which inform policy, programme and operations on the ground. The Office serves as the secretariat for the Group at the global and regional levels and provides substantive guidance and support to resident coordinators and United Nations country teams, in addition to daily backstopping to resident coordinator offices on the ground. The Office also provides troubleshooting, quality assurance and dispute resolution services in close cooperation with the relevant regional teams of the Group. Regional outposts of the

¹ In contexts in which the resident coordinator is also the Deputy Special Representative of the Secretary-General and/or the Humanitarian Coordinator, the coordination time and responsibilities are divided across those functions.

Office will consolidate the support provided to resident coordinators and United Nations country teams, promote inter-agency coherence at the regional and subregional levels, and strengthen two-way connectivity between the field and Headquarters.

5. The success of the new resident coordinator system will eventually be told by how the organization, operations, funding and overall mindset of the United Nations development system produces innovative and integrated action towards the achievement of the Goals, in a way that leaves no one behind. Moving forward, the reports of the Office to the Economic and Social Council will progressively link the operations and funding of the Office to clear results on the ground. The present transitional report – issued less than six months after the transition to the new resident coordinator system – is inevitably focused on the mechanics and key operational milestones that marked the early days of the transformative journey. The report should be considered concomitantly with the 2019 report of the Secretary-General ([A/74/73-E/2019/4](#)), which includes an overview of progress made in implementing all mandates to reposition the United Nations development system.

II. Key operational milestones in the establishment of the Development Coordination Office

6. The Secretary-General established a dedicated transition team for the repositioning of the United Nations development system, reporting to the Deputy Secretary-General, to support the implementation of all relevant mandates and work streams. The transition team’s responsibilities include providing strategic direction to the development system and tracking progress towards the deliverables requested in resolution [72/279](#). On 14 September 2018, the transition team presented an implementation plan for the inception of the reinvigorated resident coordinator system to the General Assembly (see figure below). The plan outlined all operational, administrative and funding arrangements for an independent and reinvigorated resident coordinator system.

7. On 11 July 2018, the Secretary-General established a special purpose trust fund, in line with resolution [72/279](#), to receive, consolidate, manage and account for all contributions and financial transactions of the new resident coordinator system. As at 1 April 2019, the fund has received \$195 million in firm commitments and contributions, including revenue from the cost-sharing arrangement among the entities of the Group.

8. The reform requires a significant change on the part of all entities, and a shift in mindset and behaviour from every single staff member, including resident coordinators and members of United Nations country teams. To ensure that resident coordinators and United Nations country teams were aware of the changes resulting from the repositioning of the United Nations development system, the Secretary-General convened a global meeting of all resident coordinators in October 2017 in New York. The Secretary-General and the Chair of the Group plan to hold such meetings on an annual basis. The Chair also met all resident coordinators in regional configurations in the first quarter of 2019.

9. The Advisory Committee on Administrative and Budgetary Questions approved the creation of applicable posts for the new resident coordinator system in October 2018, along with a recommendation to review the set-up of the Development Coordination Office after one year, as necessary. That was followed by the submission of revised estimates relating to the resident coordinator system for 2018–2019 for the consideration of the Advisory Committee.

10. The 2019 budget of the resident coordinator system amounted to \$281 million, inclusive of 1,141 posts and non-post resources. The revised estimates relating to the resident coordinator system concerned the request for an appropriation of \$13,571,800 from the programme budget for the biennium 2018–2019, representing the United Nations share of the United Nations Sustainable Development Group cost-sharing arrangement for 2019. The budget appropriation was endorsed by the Advisory Committee in November 2018 and approved by the Fifth Committee in December 2018.

11. With the functional separation of the Development Operations Coordination Office from UNDP on 1 November 2018, the Office was established as a stand-alone office within the Secretariat. In line with the implementation plan for the inception of a reinvigorated resident coordinator system, the recruitment process for the Office was launched in late 2018 and will be ongoing until 31 August 2019. Gender and geographic balance will be important considerations.

12. To ensure a smooth transition to the newly reinvigorated resident coordinator system, the Secretariat signed a memorandum of understanding with UNDP on 21 December 2018. In accordance with the memorandum, throughout 2019, UNDP will provide operational services to address the country-level needs of the resident coordinator system, as well as the needs of the Office's regional desks in Amman, Istanbul, Turkey, and Panama City on a fee-for-service basis. That arrangement has been essential to avoid any disruption to the ongoing activities of resident coordinator offices during the transitional period.

13. On 1 January 2019, all resident coordinators were fully delinked from the UNDP resident representative functions, and the resident coordinator system was successfully transitioned to the Secretariat, with no major disruption on the ground. All resident coordinators now hold letters of appointment from the Secretariat and report directly to the Secretary-General, in a system managed by the Office.

14. New and strengthened resident coordinator offices are being funded under the guidance and management of the Office, based on country-specific transition and staffing plans for each office, in line with the core functions agreed by Member States. That has been organized in waves to ensure a successful transition without disruption to business continuity. Dedicated posts, bringing planning and economic expertise, policy support, monitoring and evaluation and strategic partnerships support, will be filled over the course of the year.

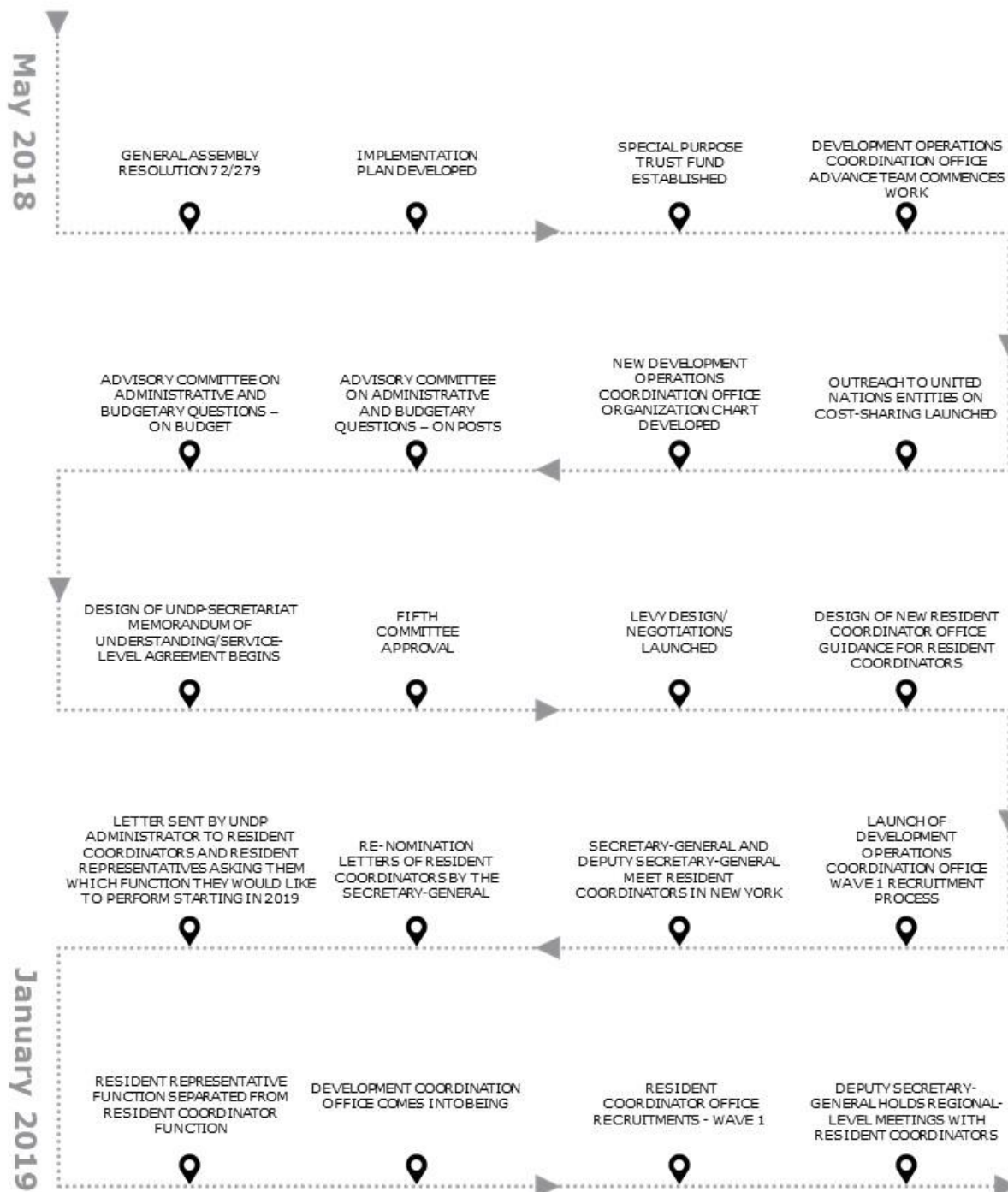
15. The Department of Global Communications and the Office launched a joint effort to strengthen communication in support of the 2030 Agenda, which includes the full integration of United Nations information centres into resident coordinator offices. That will help to ensure more effective communication strategies and greater efficiency in the deployment of Secretariat assets on the ground. Communication capacity in resident coordinator offices where there is no physical United Nations information centre will also be boosted. Currently, United Nations information centres have a presence in 51 countries where a resident coordinator is present. In those locations, resident coordinator offices will integrate a staff member from the information centre, with a job description that prioritizes providing support to the United Nations country team under the resident coordinator's leadership. The director of the information centre or the National Information Officer will report first to the resident coordinator and second to their manager within the Department of Global Communications. In those locations, therefore, the communication function of the resident coordinator office will be covered under the budget of the Department of Global Communications.

16. In the remaining 80 locations where there is no physical United Nations information centre, the special purpose trust fund is financing a new Programme

Communications and Advocacy Officer position in the resident coordinator office. The Programme Communications and Advocacy Officer will have a first reporting line to the resident coordinator and a second reporting line to a manager from the Department of Global Communications based either in a nearby information centre or at Headquarters. The generic job description of the Programme Communications and Advocacy Officer role has been adjusted to integrate both United Nations country team responsibilities and the corporate priorities of the Department of Global Communications. The Department of Global Communications is also involved in the hiring process.

17. Working under the leadership of the Secretary-General and the oversight of the Chair of the Group, the Office, the transition team and the Group have made significant progress on a set of complementary reform pieces that will contribute to a reinvigorated resident coordinator system, all of which have been finalized ahead of the operational activities for development segment of the Economic and Social Council. Those include the redesigned United Nations Development Assistance Framework, now renamed the United Nations Sustainable Development Cooperation Framework; a new, country-level United Nations development system management and accountability framework to operationalize the new relationships in United Nations country teams, including dual reporting lines between United Nations country team members and resident coordinators; and the 1 per cent coordination levy as one of three sources of funding for the resident coordinator system. Other critical reform mandates with a bearing on the resident coordinator system are also being put forward for the consideration of the Council, including a system-wide strategic document, recommendations to reposition the regional assets of the United Nations development system, and the multi-country office review.

Development Operations Coordination Office and Development Coordination Office: operational milestones May 2018 to present



III. Progress on rolling out the resident coordinator system

18. In successive resolutions on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, Member States have reiterated the central role of resident coordinators, working with the United Nations country team and under the leadership of Governments, for ensuring the coordination of United Nations operational activities for development at the country level. Member States also consistently emphasized the need to ensure that resident coordinators have sufficient leadership, prerogative, impartiality, management tools, experience and skill sets to effectively fulfil their mandates. With the rolling out of the resident coordinator system, the Development Coordination Office has assumed the managerial and oversight functions set out in resolution [72/279](#), in line with the implementation plan for the inception of the reinvigorated resident coordinator system.

19. As part of the transition of the resident coordinator system from UNDP to the Secretariat, in November 2018 the UNDP Administrator sent a letter to all serving resident coordinators and resident representatives requesting them to indicate whether they intended to continue solely as resident coordinators or resident representatives from 1 January 2019 onwards. Of the 129 serving resident coordinators, 11 decided to return to UNDP, creating a resident coordinator vacancy in those locations from 1 January. As at 1 May 2019, there are 20 vacant resident coordinator posts for which a selection process has been launched. The open positions will be filled through the existing resident coordinator pool and, if necessary, from the new intake following the next Resident Coordinator Assessment Centre in May 2019.

20. As foreseen in the implementation plan, by 15 March 2019, all resident coordinators and resident coordinators ad interim had accepted their delegation of authority from the Secretary-General. The document covers their delegated authority as heads of entity for the respective resident coordinator offices for human resources; budget and finance; procurement; and property management. The delegation of authority is essential for an independent and strengthened resident coordinator system and will be fully leveraged as resident coordinators assume their operational authority as part of the Secretariat. In the meantime, resident coordinator offices continue to receive operational services from the respective UNDP country offices. Pursuant to the memorandum of understanding with UNDP, which covers 2019, UNDP country offices provide human resources and general administrative services to the resident coordinator offices. This arrangement with UNDP is funded from the overall approved budget for the resident coordinator system.

21. The separation of the resident coordinator function from the UNDP resident representative role has had a considerable impact on the resident coordinator pool since many UNDP members in the pool were only recently appointed UNDP resident representatives. The Office is now taking special measures to replenish the resident coordinator pool with viable, high-potential candidates. The Office aims to achieve gender, geographic and agency balance within the pool, in order to maintain gender parity among the cohort of resident coordinators and improve geographic balance and representation.

22. In line with the implementation plan, in late 2018 the Secretary-General wrote to all Member States that host resident coordinators and informed them of his designation of the resident coordinator for the Member State concerned, whose functions were to be separate from that of the UNDP resident representative. He proposed that the legal framework applied previously, most frequently a UNDP Standard Basic Assistance Agreement and the practice thereunder, be applied to the resident coordinator and the resident coordinator office until the United Nations and

the Member State concerned could conclude an agreement by way of an exchange of letters applying *mutatis mutandis* the Standard Basic Assistance Agreement to the resident coordinator and the resident coordinator office. That approach was chosen to minimize disruption during the transition to the repositioned United Nations development system and to ensure the continuity of the established legal framework and practice with respect to the new resident coordinator system and the resident coordinator offices. His letter also clarified that the proposed arrangement would apply *ad interim*, pending any alternative arrangement to be defined at a later stage.

23. At the time of writing, the process had been successfully completed in 56 countries, with formal response letters sent by host Governments agreeing to the Secretary-General's proposal. In other cases, a response is still pending or under consideration by the relevant government counterparts, or Member States are engaging with the Secretariat for clarification on the legal aspects of the proposal. As a general practice, the application of existing legal agreements *mutatis mutandis* remains our preference during the inception period to ensure business continuity and reduce transaction costs.

24. Refining the selection process for resident coordinators is key for ensuring gender parity and geographic balance, and attracting the best and brightest development professionals to lead United Nations country teams and work in collaboration with Governments. The Secretary-General committed to working with the Group to review resident coordinator profiles and ensure that resident coordinators possess the necessary knowledge of the 2030 Agenda and the experience required for the country context. The new generation of resident coordinators require in-depth understanding of the conceptual shifts that underpin the 2030 Agenda and the ability to draw from the expertise and assets of the entire United Nations system at the country, regional and global levels. They also need collaborative leadership capacities to guide United Nations country teams to address national development priorities and needs.

25. Under the new resident coordinator system, the selection and assessment system is being critically reviewed and revamped. A revamped Resident Coordinator Assessment Centre will be launched in 2019. It will be fully aligned with the new job description of resident coordinators and the leadership capabilities of the United Nations leadership model. The Assessment Centre will incorporate a focus on sustainable development in the selection of candidates and the design of the Assessment Centre. The design and management of the Assessment Centre will be carried out by the Development Coordination Office on behalf of the United Nations development system. It is anticipated that the revised Assessment Centre will include an additional day for the assessment of the Humanitarian Coordinator function, to be managed by the Office for the Coordination of Humanitarian Affairs.

26. The assessment of candidates for the resident coordinator pool will continue to be an extremely rigorous process. The Assessment Centre will be managed by an independent third party that will bring expertise, knowledge and impartiality to the process. Recommendations on the selection and matching of pool candidates to specific resident coordinator positions will continue to be overseen by the Inter-Agency Advisory Panel, under the chairpersonship of the Head of the Development Coordination Office.

27. Resident coordinator and United Nations country team planning and performance management tools will be reviewed to better streamline and align them with the elements of the reform process that have a bearing on performance management, such as the new management accountability frameworks, the new job description for resident coordinators and the new United Nations Sustainable

Development Cooperation Framework guidelines, as well as possible changes to multi-country office environments and the management of regional assets.

28. In the medium term, it is expected that performance assessments will place an increasing emphasis on results related to the Sustainable Development Goals, as captured in the United Nations Sustainable Development Cooperation Framework, with a more clearly defined reporting line between the resident coordinator and United Nations country team members. United Nations country team members and regional Group members will continue to have a say in the assessment of resident coordinators. Transitional 2019 performance goals have been developed as part of provisional changes to the existing assessment of results and competencies tool and current generic performance goal categories.

29. A repositioned United Nations development system demands a new approach to leadership that entails a cultural transformation, enabling and empowering system-wide collaboration, measured risk-taking, and promoting mutual accountability for results. As resident coordinators steer and support the system's substantive contribution to the 2030 Agenda, they need to be able to convene and connect within the United Nations country team and broader development community, adapt to continually changing environments, promote collaboration across boundaries, and co-create solutions to drive whole-of-society transformations.

30. In late 2018, the United Nations Learning Advisory Council for the 2030 Agenda was established. The Council supports the alignment of resident coordinator system capabilities with the new demands arising from the repositioning of the United Nations development system. The Council brings together the heads of 15 United Nations learning and training institutions, including UNDP, the United Nations System Staff College, the United Nations Institute for Training and Research, the training centre of the International Labour Organization, the Department of Economic and Social Affairs, the United Nations Educational, Scientific and Cultural Organization, the Economic Commission for Latin America and the Caribbean, the United Nations Global Compact, the United Nations Research Institute for Social Development, the Executive Office of the Secretary-General and the World Bank. The establishment of the Council reflects a coordinated effort to draw on knowledge, learning and expertise from within and outside the United Nations system. It will bring together the knowledge spread across the learning and training institutions to create a more powerful and coherent narrative across the Sustainable Development Goals.

31. The Chair of the Group requested the United Nations Learning Advisory Council for the 2030 Agenda to develop a primer on the Goals – a system-wide knowledge certification module that will ensure that resident coordinators and their offices have a strong and shared knowledge base on the 2030 Agenda. The primer will be used to inform the action of all United Nations entities, as well as their engagement with their partners in government and civil society. It will be a resource for national actors seeking inspiration and guidance for their own sustainable development efforts. It will emphasize the importance of systems thinking, and the collaborative and transformational leadership capabilities and skills that the Goals demand, while establishing baseline guidance on how the United Nations is approaching the implementation of the 2030 Agenda.

IV. Strengthened resident coordinator offices

32. In his report on repositioning the United Nations development system ([A/72/684-E/2018/7](#)), the Secretary-General called for strengthened resident coordinator offices to support United Nations country teams. The coordination of

development activities involves being able to connect complex elements across the Sustainable Development Goals; access relevant knowledge and data; and translate both of those into robust planning and, most importantly, results. It also requires enhanced substantive understanding of the 2030 Agenda and the ability to engage with a variety of stakeholders. United Nations country teams should be enabled to scale up their partnership with Governments and other partners, including parliaments, the private sector, trade unions and employers' organizations, academia and other civil society organizations.

33. In line with the Secretary-General's implementation plan for the inception of the reinvigorated resident coordinator system, the set-up of the new resident coordinator offices is being rolled out in stages to ensure business continuity in the operations of the resident coordinator system. In October 2018, each resident coordinator proposed a transition plan to move from their current staffing composition to the required composition fulfilling the five core functions: strategic planning/resident coordinator office team leader; economist; data management and results monitoring/reporting officer; partnership and development finance officer; and programme communications and advocacy officer. Under the transition plan, the contracts of all sitting staff were extended until the end of June 2019.

34. All 131 transition plans were approved by the end of 2018 and were ready for implementation by 1 January 2019. Each resident coordinator office can hire a mix of national and international staff depending on the requirements of the country concerned. A maximum of two international professional staff can be hired by any one office. Globally, 67 per cent of the proposed professional recruitments are projected to be national staff, with 33 per cent international staff. Those figures exclude the two support positions, which are 100 per cent national posts, and the resident coordinators themselves, which are 100 per cent international posts.

35. The second phase of the process commenced in January 2019 with guidance from UNDP, which is managing the recruitment of the national officers on behalf of the Secretariat. All resident coordinator offices received a budget to enable them to begin recruiting the first wave of national staff. Twenty-eight countries in special situations also received an advance allocation of \$300,000, which they can use to extend the contracts of current staff or to hire international staff ahead of the other resident coordinator offices. Any new international staff are being hired through the Secretariat.

36. In the third phase, the resident coordinator offices will receive a further allocation of funds to enable the remaining positions to be filled. Those international posts will primarily be recruited through a global call for applications and the creation of a roster of potential P-5 and P-4 candidates, a process that was set in motion in April 2019. The deployment of selected candidates will start in the third quarter of 2019.

V. Development Coordination Office

37. In line with the Secretary-General's implementation plan, the transition to the new Development Coordination Office continues to be managed in stages to ensure business continuity in the operations of the resident coordinator system. The first phase took place on 1 November 2018, with the relocation of all sitting Development Operations Coordination Office staff on loan to the Secretariat to form part of a temporary advance team.

38. The second phase was the recruitment of individuals for positions in the new Development Coordination Office. The first wave of recruitment started in November

2018, during which 61 posts were advertised externally. At the time of writing, the second wave of recruitment, concerning a projected total of 34 posts within the Office, is ongoing, with a conclusion date of 31 August. At present, 24 posts have been filled, and the recruitment for 16 positions is being finalized (see annex I). Recruitments to the Office are done with gender and regional balance at the forefront of decision-making.

39. As at September 2018, 57 per cent of staff in the Development Operations Coordination Office were from the global North and 43 per cent from the global South. In terms of gender balance, 44.5 per cent were men and 55.5 per cent were women. It is against that baseline that the Chair of the Group expressed his commitment to ensuring gender parity and regional balance across the board in recruitments to the Development Coordination Office. The Chair will report on progress made in next year's report.

40. Substantive development coordination, which remains the core deliverable of the Development Coordination Office, is the guarantee for consistency across the Organization's development offering. The United Nations development system consists of over 40 agencies, many governed by different oversight bodies and operating on different models. If the ambition of the 2030 Agenda is to be delivered, the United Nations development system needs to come together seamlessly across the 170 countries and territories that the United Nations development system serves. The only way in which efficiencies can be created is through robust coordination, which requires an adequate global and regional structure. The thrust of development coordination is about identifying economies of scale of collaboration, facilitating the effective deployment of United Nations assets and expertise, and working through obstacles that prevent agreed objectives from being realized. Issues such as climate, youth and urbanization that cut across the mandates of individual agencies need a degree of coordination to define an integrated response.

41. The increased coordination resources approved by the Advisory Committee on Administrative and Budgetary Questions are already enabling improvements in the current services provided. There is an increased focus on joint analysis and planning; more efficient targeting of United Nations resources; stronger secretariat services to country, regional and global United Nations Sustainable Development Group mechanisms, which in turn enables better decision-making; and more targeted resource mobilization for system-wide priorities. The coordination support provided by the Office provides dedicated leadership of the coordination function, improves accountability and strengthens oversight of performance management. These are some of the improvements already under way. The Chair of the Group will report fully on progress made in the next report.

42. Eighty-seven per cent of the total budget for the new resident coordinator system is dedicated to country coordination. One third of the total number of positions in the Office are allocated to the newly created regional desks. Those desks will be located in Addis Ababa (Africa), Amman (Arab States), Istanbul (Europe and the Commonwealth of Independent States), Bangkok (Asia and the Pacific) and Panama City (Latin America and the Caribbean). Such investment at the regional level is essential for an effective resident coordinator system to take hold. Regional coordination is needed to address regional and subregional challenges and issues that are cross-border in nature and to complement the normative support and technical capacity required to achieve the Sustainable Development Goals at the country level.

43. The Office has been fully operational since 1 January 2019 as a Secretariat entity, with all operations handled through Umoja, the Organization's enterprise resource planning system. Funding for the Office and the resident coordinator system more generally is being managed through the special purpose trust fund, which is

administered by the Department of Management Strategy, Policy and Compliance and managed by the Office. The memorandum of understanding with UNDP has helped to ensure a smooth and sequenced transition of administrative services and recruitment for all resident coordinator offices and the Office's regional desks.

VI. Funding arrangements

44. In its resolution [72/279](#), the General Assembly emphasized that adequate, predictable and sustainable funding was essential to delivering a coherent, effective, efficient and accountable response in accordance with national needs and priorities. Funding makes or breaks the system. The funding for the United Nations development system is modest, representing less than 0.1 per cent of the development spend of the United Nations development system, but it adds significant value for the many countries that benefit from the support of the system. Member States decided to finance the new resident coordinator system through a hybrid model, as an alternative to fully funding it through the Organization's regular, assessed, budget. The funding model comprises three elements: a 1 per cent coordination levy on tightly earmarked third-party non-core contributions to United Nations development-related activities, to be paid at source; a cost-sharing arrangement among United Nations development system entities; and voluntary, predictable, multi-year contributions to a dedicated trust fund to support the inception period.

45. Section VI of the present report provides an early overview of progress made to date regarding the financing of the resident coordinator system. Contributions from all three funding streams flow into the account of the special purpose trust fund. Full financial reporting takes place on an annual basis, within three months of the end of each calendar year.

46. The cost-sharing arrangement set out in resolution [72/279](#) has been implemented swiftly. Of the total \$77.5 million expected, \$75 million has been transferred to the special purpose trust fund by 16 of the 19 United Nations Sustainable Development Group entities contributing to the cost-sharing arrangement. That includes the Secretariat's appropriation of \$13,571,800, as approved by the Fifth Committee for 2019. The successful implementation of that funding stream is in large part due to the strong and positive support from the agencies, funds and programmes themselves and the United Nations entity governing bodies.

47. After an intensive consultative process of technical meetings as part of a funding dialogue, Member States agreed on the operational guidance to implement the coordination levy. The guidance was circulated to Member States on 19 March 2019, marking the start of the implementation of the levy. Since then, 14 countries have formally confirmed that they have opted for the agency-administered levy collection option, with one country confirming its choice for the donor-administered option. All eight countries have confirmed that the coordination levy should now be collected on their tightly earmarked third-party non-core contributions for development-related activities. The entry into force of the levy depends on donor-specific arrangements. The levy does not apply to agreements signed before 1 March 2019. If the levy is operationalized rapidly, it should yield \$30–\$40 million in its first year of operation, growing to \$60–\$80 million annually in future years. These are estimates based on 2016 actual expenditures, which may not be a reliable predictor of future trends, particularly if Member States shift increasing amounts of funding to core or pooled and thematic non-core funding or to joint programmes.

48. Many Member States have come forward with voluntary contributions, for which the Secretary-General and the Chair of the Group are grateful. As at April 2019, 32 countries had made firm commitments or contributions to the new resident

coordinator system, totalling \$116 million. Commitments and contributions come from a wide variety of Member States, including countries from the Asia-Pacific Group, the Eastern European Group and the Western European and other States Group. Further outreach is being conducted to increase the funding base to the other regional groups. Diversity is strength, as it ensures more predictability and greater ownership. The wider the funding base, the more robust it will be.

49. In line with the Secretary-General's commitment to ensuring full transparency and accountability in each and every element of the repositioning of the United Nations development system, a web-based portal for the special purpose trust fund went live in February 2019.² The portal captures the firm commitments and contributions of all Member States, subject to their agreement to disclose that information publicly, together with data relating to the cost-sharing arrangement. Information about revenue from the 1 per cent coordination levy, as well as overall expenditure information, will be included in the portal in due course.

50. Finding a sustainable, predictable way to fund the resident coordinator system for the years to come, offering flexibility and continuity for the new system, continues to be a key objective for 2019. Contributions to date have allowed the Organization to fully implement the plans for the repositioning of the United Nations development system. However, a funding gap remains. The urgency is real. The Chair of the Group calls upon all Member States to contribute, take ownership and share the burden, to allow for the swift, smooth and effective implementation of the reform, built on the robust foundations it needs and deserves.

VII. Conclusion

51. The Group is committed to continuing to strengthen the accountability and transparency of its system-wide efforts, in line with the commitments conveyed by the Secretary-General. Member States will be updated regularly on the effectiveness and efficiency of the new resident coordinator system and on its impact in terms of the delivery of collective results as the Organization strives to support Member States in achieving the ambitious goals of the 2030 Agenda. Throughout 2019, United Nations country teams, through their resident coordinators, will be expected to provide annual reports to host Governments on results defined in the United Nations Sustainable Development Cooperation Framework. The present report – along with the Secretary-General's report on the implementation of General Assembly resolution [71/243](#) on the quadrennial comprehensive policy review of operational activities for development of the United Nations system – is another critical input to Member States as they hold the Organization accountable in the reform process.

52. The next annual report on the Office, which will be issued after the reforms have had more time to take root, will provide an insight into the early results from our joint efforts to reposition the United Nations development system through the new resident coordinator system. In addition to reporting on the operations of the Office, the 2020 report will take stock of the operationalization and early consolidation of key reform initiatives as they relate to the functioning of the resident coordinator system. That includes the roll-out of the system-wide strategic document, the implementation of the funding compact, the restructuring of regional assets, the implementation of reforms to strengthen multi-country office operations, the implementation of the new guidelines for the development of the United Nations Sustainable Development Cooperation Framework, and efforts to improve resident coordinator identification, selection, training and performance management. In line with the results-based

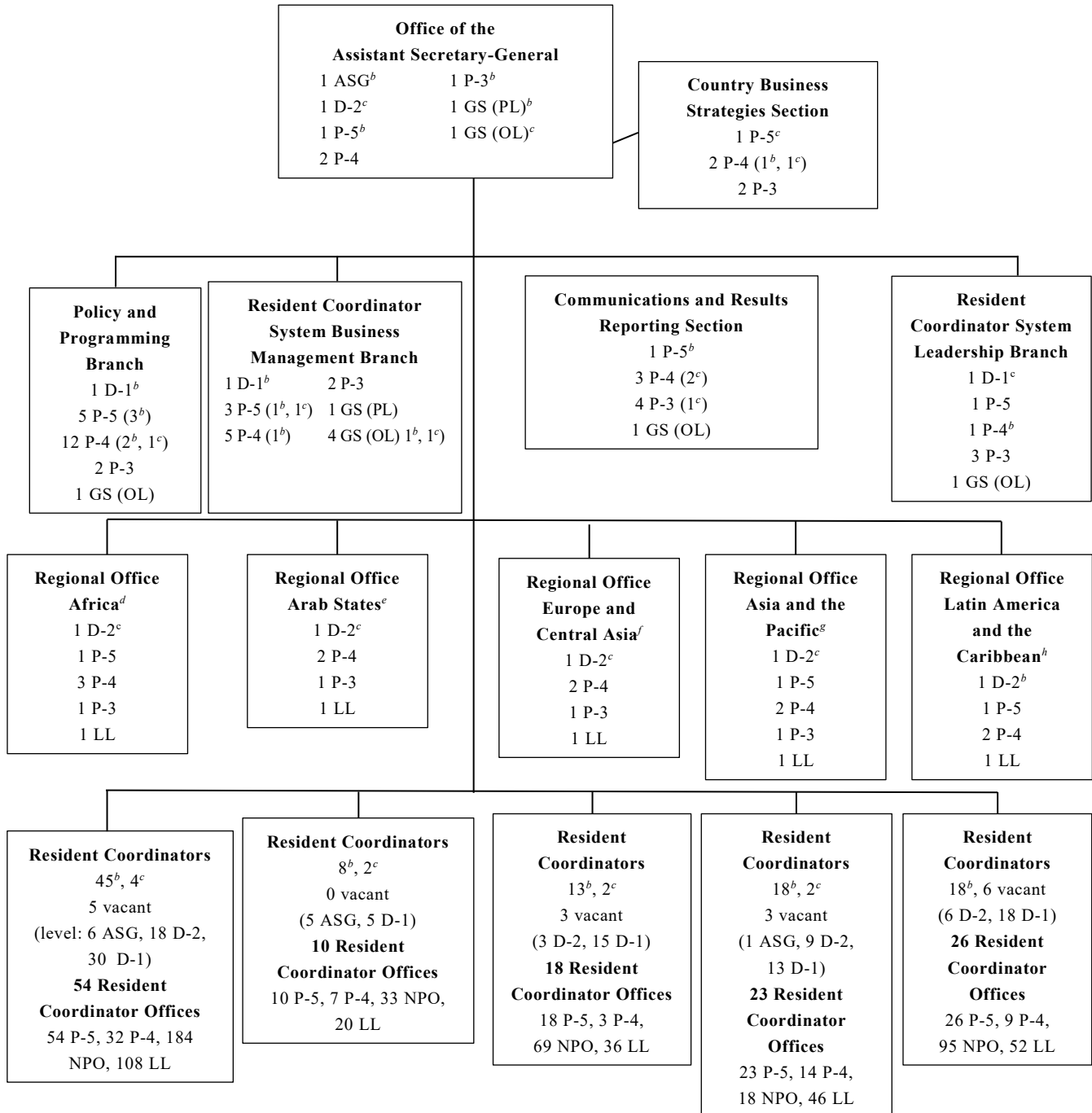
² The web-based portal of the special purpose trust fund is available at soc.un.org/SPTF/.

budget of the Office, results will be reported at the global, regional and country levels and against key results areas, namely, leadership; coordination and planning; integrated policy, normative and statistical support; partnership and finance; communications; and business operations (see annex II). The emerging lessons from the hybrid funding formula for the resident coordinator system will also be shared.

53. It is important to move forward together in an open and transparent manner. The 2030 Agenda is ambitious, and the clock is ticking. The Secretary-General and all entities of the United Nations Sustainable Development Group are committed to making the new resident coordinator system fit for purpose and capable of tackling today's challenges and supporting countries in delivering the 2030 Agenda. Member States can count on the Organization's continued commitment, and the personal determination of the Chair of the Group, in that regard. The United Nations counts on the continued leadership, engagement and commitment of Member States. This is a unique opportunity, and a shared responsibility, that the United Nations and Member States cannot fail to take.

Annex I

Updated organization chart

Organizational structure and post distribution for 2019^a

(Footnotes on following page)

(Footnotes to chart)

Abbreviations: ASG, Assistant Secretary-General; GS (OL), General Service (Other level); GS (PL), General Service (Principal level); LL, Local level; NPO, National Professional Officer.

^a The chart only reflects posts to be funded through the special purpose trust fund during the 2018–2019 biennium.

^b In post.

^c Recruitment finalized.

^d Angola, Benin, Botswana, Burkina Faso, Burundi, Cabo Verde, Cameroon, Central African Republic, Chad, Comoros, Congo, Côte d'Ivoire, Democratic Republic of the Congo, Eritrea, Equatorial Guinea, Eswatini, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome and Principe, Seychelles, Sierra Leone, Senegal, South Africa, South Sudan, Togo, United Republic of Tanzania, Uganda, Zambia, Zimbabwe.

^e Algeria, Bahrain, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Morocco, Saudi Arabia, Somalia, Sudan, Syrian Arab Republic, Tunisia, United Arab Emirates, Yemen, State of Palestine.

^f Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Georgia, Kazakhstan, Kosovo (references to Kosovo shall be understood to be in the context of Security Council resolution 1244 (1999)), Kyrgyzstan, Montenegro, North Macedonia, Republic of Moldova, Serbia, Tajikistan, Turkey, Turkmenistan, Ukraine, Uzbekistan.

^g Afghanistan, Bangladesh, Bhutan, Cambodia, China, Cook Islands, Democratic People's Republic of Korea, Fiji, India, Indonesia, Iran (Islamic Republic of), Kiribati, Lao People's Democratic Republic, Malaysia, Maldives, Marshall Islands, Micronesia (Federated States of), Mongolia, Myanmar, Nauru, Nepal, Niue, Pakistan, Palau, Papua New Guinea, Philippines, Samoa, Solomon Islands, Sri Lanka, Thailand, Timor-Leste, Tokelau, Tonga, Tuvalu, Vanuatu, Viet Nam.

^h Argentina, Barbados, Belize, Bolivia (Plurinational State of), Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Suriname, Trinidad and Tobago, Uruguay, Venezuela (Bolivarian Republic of).

Annex II

Indicators of achievement and performance measures based on the programme budget for the biennium 2018–2019

Objective of the Organization: To improve the capacity, coherence and effectiveness of the United Nations resident coordinator system at the global, regional and country levels in delivering integrated support across the Sustainable Development Goals for the achievement of national development priorities

<i>Expected accomplishments of the Secretariat</i>	<i>Indicators of achievement</i>	<i>Performance measures</i>			
		<i>2018–2019</i>	<i>2016–2017</i>	<i>2014–2015</i>	<i>2012–2013</i>
1. Leadership for development results					
(a) Enhanced management and oversight of the resident coordinator system	(i) Development and endorsement of a new management accountability framework in support of enhanced leadership in the resident coordinator system	Target	Yes		
		Estimate			
		Actual			
	(ii) Implementation rate of corporate leadership framework, standards and policies for resident coordinator and United Nations country team leadership	Target	100		
		Estimate			
		Actual			
(b) Strengthened leadership skills, knowledge and capabilities of resident coordinators and United Nations country teams to effectively support the achievement of the Sustainable Development Goals	(i) Percentage of resident coordinators who complete required learning and/or leadership development modules, including Sustainable Development Goal certification	Target	50		
		Estimate			
		Actual			
	(ii) Percentage of resident coordinators agreeing or strongly agreeing that they have sufficient capacity and prerogative to fulfil their terms of reference (% capacities/% prerogative)	Target	65/55		
		Estimate			
		Actual	60/50		
(c) Strengthened leadership talent pipeline and appointments of the resident coordinators, to better respond to the sustainable development needs of national Governments	(i) Integrated Resident Coordinator Assessment Centre with a focus on sustainable development established	Target	Yes		
		Estimate			
		Actual			
	(ii) Gender parity among resident coordinators (% men/% women)	Target	50/50		
		Estimate			
		Actual	57/43	62/38	60/40
	(iii) Action plan in place to achieve resident coordinator geographical balance	Target	Yes		
		Estimate			
		Actual			
2. Integrated normative and policy support for the 2030 Agenda					
Programme countries receive integrated context-specific quality advice and support to implement the 2030 Agenda	(i) Percentage of Governments agreeing that the United Nations provides high-quality joint policy advice, tailored to national needs and priorities	Target	82		
		Estimate			
		Actual	80		
	(ii) Number of integrated, regional or national policy products delivered by the United Nations development system	Target	50		
		Estimate			
		Actual			
	(iii) Proportion of United Nations country teams that have supported government efforts and goals to mainstream human rights into national development policies and programmes	Target	85		
		Estimate			
		Actual	84		

3. Coordination and planning for development results

(a) Effective and accountable coordination mechanisms and leadership at the global, regional and national level	(i) Percentage of United Nations Sustainable Development Group members that agree or strongly agree that the Group's global and regional coordination mechanisms are effectively supported by the Development Coordination Office	Target	75		
		Estimate			
		Actual			
	(ii) Percentage of programme country Governments that agree or strongly agree that the resident coordinator effectively and efficiently leads and coordinates the strategic support of the United Nations country team for national plans and priorities	Target	93		
		Estimate			
		Actual		92	
	(iii) Percentage of resident coordinators who agree or strongly agree that the resident coordinator has sufficient access to the expertise available at the global and regional United Nations development system levels	Target	75		
		Estimate			
		Actual		73	
(b) Strengthened data systems, capacities and management for the 2030 Agenda	(i) Proportion of United Nations country teams that provide support to national statistical capacity	Target	98		
		Estimate			
		Actual		98	
	(ii) Percentage of programme country Governments that state that the United Nations works "more closely" together to support capacity-building on disaggregated data collection and analysis compared with four years ago	Target	68		
		Estimate			
		Actual		66	67
(c) Improved United Nations Development Assistance Framework planning and implementation for development results	(i) Percentage of Governments that consider the activities of the United Nations to be closely or very closely aligned with the country's development needs and priorities	Target	90		
		Estimate			
		Actual		84	86
	(ii) Percentage of programme country Governments that agree or strongly agree there is an improved focus on common results among United Nations development system entities at the country level	Target	90		
		Estimate			
		Actual		85	
	(iii) Number of United Nations country teams with joint work plans	Target	50		
		Estimate			
		Actual			

4. Partnerships and finance for development results

(a) Enhanced and expanded partnerships with key stakeholders	(i) Development and endorsement of system-wide partnership policy for use by resident coordinators	Target	Yes		
		Estimate			
		Actual			
	(ii) Percentage of Governments agreeing that to a large or moderate extent the United Nations plays a catalytic role in facilitating partnerships	Target	78		
		Estimate			
		Actual		76	
	(iii) Proportion of United Nations country teams that facilitate South-South cooperation	Target	80		
		Estimate			
		Actual		75	

(b) Adequate funding and financing for development efforts, including through expanded pooled funds and innovative financing mechanisms	(i) Funding contributed to the Joint Fund for the 2030 Agenda for Sustainable Development (\$ million)	Target	290	
		Estimate		
		Actual		13
	(ii) Percentage of overall United Nations development resources channelled to inter-agency pooled funds	Target	12	
		Estimate		
		Actual		8
	(iii) Proportion of United Nations country teams supporting programme countries with the development of financing coalitions to close the Sustainable Development Goal financing gap	Target	20	
		Estimate		
		Actual		4

5. Communication for development results

Improved public availability and awareness of United Nations development efforts and activities in support of the 2030 Agenda	(i) Proportion of United Nations country teams implementing a joint communication and advocacy strategy (in line with the United Nations Development Group's Guide to Communicating as One)	Target	90	
		Estimate		
		Actual		85
	(ii) Publication of annual results on the Sustainable Development Goals	Target	100	
		Estimate		
		Actual		100
	(iii) Number of United Nations country teams reporting programmatic and financial alignment against the Sustainable Development Goals through UN INFO	Target	50	
		Estimate		
		Actual		27

6. Business operations for development

Effective and efficient business operations, provided through consolidated back offices and common premises where possible	(i) Number/proportion of United Nations country teams supported by an Integrated Service Centre	Target	3		
		Estimate			
		Actual		3	2
	(ii) Percentage of United Nations premises that are defined as common premises	Target	20		
		Estimate			
		Actual		16	
	(iii) Number/proportion of United Nations country teams that have a fully endorsed business operations strategy	Target	66		
		Estimate			