

## IMPLEMENTATION OF GENERAL ASSEMBLY RESOLUTION 72/279 ON “REPOSITIONING OF THE UN DEVELOPMENT SYSTEM”

### INFORMATION NOTE

#### UNICEF Executive Board – First Regular Session 2020

##### I. Introduction

1. UNICEF is pleased to provide its Executive Board with an update on its engagement in the repositioning of the UN Development System, supplementing earlier Information Notes presented to the Board in 2019. UNICEF continues to engage closely in the reform process, providing significant contributions and inputs, supporting implementation, and making necessary internal adjustments and alignments. It does so in close coordination with the UN Sustainable Development Group (UNSDG), under the leadership of the Deputy Secretary-General, and with the support of the UN Development Coordination Office (DCO).
2. This Information Note provides an update on recent developments since September 2019 across the areas of UNICEF’s support and implementation of the UNDS repositioning process.

##### II. Supporting the new Resident Coordinator system

3. The UN is now one year into implementation of the new independent and empowered Resident Coordinator (RC) system. The focus in 2019 was on (a) establishment of coordination offices with new staff and a new generation of RCs; (b) agreement of the Management and Accountability Framework (MAF) for country-level and its initial implementation; and (c) roll-out of the agreed funding arrangements for the RC system, including establishing a mechanism for collection of the 1% levy. In the year ahead, focus will turn to (a) the first year of mutual performance appraisals of RCs and UNCT members; (b) strengthening the RC pool; and (c) use of the new assets provided by scaled up RC offices and a stronger DCO, towards enhanced results for the SDGs.
4. As previously outlined to the Executive Board, UNICEF has updated the Generic Job Description for its Country Representatives to reflect the changes in the **Management and Accountability Framework**, including a specific performance deliverable on contribution to UNCT results. Performance appraisals for 2019 are currently underway using the revised system. As part of this process Regional Directors seek inputs from RCs on the performance of all UNICEF Representatives and factor this into their overall evaluation. Likewise, as UNCT members, UNICEF Representatives are providing feedback on RC performance via their Regional Directors.
5. Overall, the experience of UNICEF Representatives of working with RCs and UNCT colleagues as part of the new arrangements has been largely positive. A number of country offices have highlighted concrete ways in which the independent, full-time RC has helped in supporting and advocating for UNICEF’s work and programmes, as well as facilitating opportunities and partnerships. For example, some UNICEF Representatives have reported that their RCs have led improved UNCT planning processes to the benefit of all, or that RCs have helped gain political support at the highest possible level for topics of key concern to UNICEF. Some UNICEF offices have also highlighted new strategic partnerships that RCs have helped foster, together with two or more UN entities.
6. At the same time, there are some cases where RCs have sought to go beyond the MAF, for example aiming to limit agency engagement with senior levels of government, or informing donors that all funding should be directed through the RC office. In some countries RCs have insisted on the formulation of UNCT codes of conduct which potentially duplicate or contradict the MAF, despite DCO’s advice that they do not support this approach. As the country-level chapter of the MAF will be reviewed later in 2020, UNICEF will work with DCO

and agency partners to make necessary adjustments and clarifications to avoid such conflicts or confusion in the future.

7. UNICEF is actively engaged with DCO to create a pipeline of our best talent for **RC/HC positions**. UNICEF will increase the number of qualified UNICEF staff members in the RC pool by deliberately including the RC/HC role as a career path option for senior staff, including by highlighting career opportunities that can follow an RC assignment within or outside UNICEF. Through a purposeful nomination process, UNICEF will support candidates to prepare thoroughly for the RC/HC assessment through an individual development plan, including customized coaching, mentoring, etc. We will ensure a fluid mechanism for moving between RC/HC and UNICEF Senior Staff Rotation (SSR) tracks, including a return right to UNICEF. We are also in discussion with DCO about their plans to improve the RC assessment process, to better ensure a strong pool of successful candidates with tailored skills and experience.

8. We remain committed to the **funding of the RC system** in line with the arrangements outlined in GA Resolution 72/279. UNICEF's was among the first agencies to pay their full 2020 contribution to the UNSDG cost-sharing (\$8.3 million), transferring the funds in December 2019. In line with the system-wide guidance on administration of the 1% coordination levy, UNICEF started collection of the levy from relevant donors making tightly earmarked development contributions. For 2019 UNICEF also transferred \$3.39 million to DCO for the 1% coordination levy, based on contributions received by 31 December. UNICEF's experience with levy implementation indicates that the majority of donors are electing to take the 1% levy from programmatic funding, rather than adding the 1% on top of the contribution amount, with the effect of reduced programmatic funding for non-core projects. In line with earlier discussions with DCO and UNSDG partners, UNICEF is preparing for a review of the levy arrangements and their wider impact later this year.

### III. Funding and Financing

9. UNICEF is taking forward the **Funding Compact** in four main ways: (a) encouraging partner governments to take steps, in line with member state commitments, particularly to increase flexibility and predictability of funding; (b) implementation of those UNDS commitments relevant to UNICEF as an individual entity; (c) supporting the harmonization and standardization of indicators and measurements for coherent reporting across entities; and (d) improving the Structured Dialogue on Funding, in tandem with New York-based Funds and Programmes, to further enhance transparency and exchange with the Executive Board.

10. UNICEF data on 2019 contributions is forthcoming and will be fully reported to the Board in subsequent sessions. However, following agreement of the Funding Compact we did see increased core contribution commitments from Germany, India the Netherlands and Qatar, as well as new multi-year commitments from the Netherlands, New Zealand and Qatar. Such support is critical to enhancing UNICEF's strategic and tailored support to national governments on the SDGs and our responsiveness to urgent humanitarian needs, helps reduce transaction costs, and allows more flexibility to pursue important partnerships with sister agencies. UNICEF expresses its gratitude to those member states taking concrete steps to enhance core, thematic, pooled and other flexible sources of funding.

11. Following the baseline review of Funding Compact commitments UNICEF undertook for the Second Regular Session of the Executive Board in 2019, we determined four priority commitments for initial focus in our own implementation:

- I. **Enhancing cooperation for results at country level**, through development of strong Common Country Assessments (CCAs) and UN Sustainable Development Cooperation Frameworks (UNSDCFs), aligning UNICEF Country Programme Documents (CPDs) to UNSDCFs, strengthening the use of UNCT results groups, and increasing joint programming;
- II. **Strengthening clarity of entity-specific strategic plans/Integrated Results & Resources Frameworks (IRRFs) and their annual reporting on results against expenditure** – having launched the Budget Formulation Tool in 2019, UNICEF is currently fine-tuning the system to enhance its performance and

further facilitate resource planning at a granular level. Refinement and roll-out of the system will continue throughout 2020.

- III. **Increased visibility of results**, by actively monitoring and tracking donor visibility through all social media channels, and developing tools to support country offices to more systematically recognize and highlight donor contributions;
- IV. **Implementing the SG’s goals on operational consolidation for efficiency gains**, as outlined below.

Progress against these and other commitments will be next reported to the Executive Board in September 2020.

12. In line with requests from the Executive Board UNICEF is working closely with DCO and UN partners to harmonize indicators, methodologies and metrics for reporting on Funding Compact commitments. This is important for coherent reporting to DESA for system-wide targets and for consistent approaches to agency-specific reporting across governing bodies. Likewise, along with UNDP, UNFPA and UN Women, UNICEF is actively engaged with the Executive Boards on options for improving the Structured Dialogues on Funding, including through better analysis of resource gaps and ensuring joint ownership and leadership by entities and member states.

13. UNICEF remains actively engaged and supportive of the Joint Fund for the SDGs, including the second round of funding currently underway. We would encourage member states, when it makes, to foster UN coherence in critical areas of work through their funding, as is happening with the Joint Fund.

#### IV. Strengthening system-wide support to the SDGs and 2030 Agenda

14. In late 2019 the SG issued a global call for a Decade of Action to deliver the SDGs, an opportunity to significantly scale up collective action and drive the deep transformative change required by the 2030 Agenda. This is the challenge at the heart of the UNDS repositioning process. Drawing on the new assets, structures and working methods ushered in as part of the reform, UNICEF and other UNSDG entities are aiming to intensify implementation efforts, underscored by an integrated approach to delivery and results and innovative interagency partnerships at country, regional and global levels. A UN-wide strategy for the Decade of Action is being developed under the leadership of the DSG.

15. For UNICEF, SDG achievement is closely connected with the Convention on the Rights of the Child. In support of UN-wide efforts to support SDG achievement, UNICEF is engaged in a wide array of specific actions, for example: support to Voluntary National Review processes, SDG activation activities with young people, support to national SDG data and statistics capacities, scaling up policy advice on social budgeting, and a UN-wide initiative on “frugal innovation” co-led with UNDP and UNHCR. UNICEF is also scaling up its programmatic focus in a number of the key areas for the UN identified by the SG, including climate action, predictive analytics to proactively guide policies; and education for young people. Together with UNDP and ILO, UNICEF co-leads on the UNSDG’s work on the Mainstreaming, Acceleration and Policy Support (MAPS) approach. In 2019 UNICEF took part in MAPS missions in countries including Bolivia, St Lucia, and Cabo Verde. A MAPS e-learning course is in the pipeline and expected to be ready in Spring 2020. On data and statistics, UNICEF is contributing to the ongoing development, by the Committee of Chief Statisticians of the UN System, of a proposed roadmap to innovate UN data and statistical outputs in relation to the two roles UN agencies play in the field of data and statistics: i) supporting countries to produce fit-for-purpose data and statistics, and ii) providing authoritative regional and global data and statistics to support the international community to respond in a timely fashion to regional and global threats.

16. ‘Generation Unlimited’ (GenU) is a key example of the type of transformative, multi-stakeholder partnerships that are required to achieve the 2030 Agenda – and which really needs engagement from across the UN system – and beyond. In its role as GenU Secretariat, UNICEF has recently been working with DCO to mobilize RCs in frontrunner countries to lead UNCTs around GenU, and to convene external partners. A webinar with RCs is scheduled in early February, to be followed by an engagement plan.

17. UNICEF is also engaged in “**SDG: Learn**”, an initiative coordinated by UN System Staff College and UNITAR to create a global platform to share SDG related learning. The site (<https://www.unsdglearn.org/>) was launched in mid-2019 with some initial content, though it is still under development and expected to expand significantly in 2020. UNICEF is identifying suitable content we could share and publicize through the platform and looking for opportunities to make relevant content from the platform available to UNICEF staff and partners. UNICEF is also offering to make its own learning platform “Agora” available to other UN agencies to use as their learning management system, with a number of expressions of interest so far.

18. At country-level, the new **Common Country Assessment (CCA) and UN Sustainable Development Cooperation Framework (UNSDCF) guidance** is in use by 51 UNCTs that are developing new frameworks in 2020 and 2021. As previously noted to the Board, UNICEF is aligning the timing of new CPDs to these UNSDCFs wherever possible, and has extended current CPDs in certain cases to accommodate this. With UNDP, UNFPA and UN Women, UNICEF has agreed on the technical details of how CPDs contribute to UNSDCF outcomes and outputs. Subsequently, UNICEF issued an “addendum” to the current guidelines for the development of Country Programme Strategy Notes (PSNs) in January 2020. This PSN addendum lays out the level of UNICEF Country Programme outputs in relation to the UNSDCF output and outcomes and will enable country offices to better account for, report and document Country Programme contributions to the UNSDCF through an enhanced Results Assessment Module (RAM 3.0), directly into UN-INFO. This will be available for use by all country offices for 2020 results reporting.

19. Seven companion pieces for the UNSDCF guidance have been drafted with significant UNICEF inputs and will be streamlined into one coherent package for endorsement by the DSG and the UNSDG Principals group. We expect these companion pieces to be made available by June 2020, along with emerging country examples as they become available. UNICEF has remained closely engaged throughout this process, and will work with country offices to encourage broad use of these additional tools.

20. UNICEF contributed to the **UNSDG Operational Guide on Leaving No One Behind**, the interim draft of which was launched in 2019, with subsequent roll-out to three pilot countries: Cameroon, Nepal and Tunisia. Thus far the pilots have indicated that the guide is an important tool to identify groups at risk of being ‘left behind’ in order to ensure necessary adjustments to development, humanitarian and peacebuilding initiatives.

21. An important component of the SG’s reform vision is ensuring that sustainable development and humanitarian work undertaken by the UN is embedded fundamentally in a broader integrated approach across the UN as a whole, strengthening the approach to prevention, reducing vulnerabilities, and contributing to peace outcomes. UNICEF recently issued a mandatory Programme Procedure requiring all country offices in fragile and conflict settings to conduct and apply a proper conflict analysis to inform programming and to ensure conflict sensitivity of implementation. UNICEF also contributes to the conflict and risk analysis process as part of the CCA, and advocates with UNCT and national partners to ensure socio-economic dimensions of conflict and peace, with a particular focus on women and children, are well understood and prioritized with national and UN peacebuilding plans and strategies.

22. UNICEF has scaled up its participation in the SG’s **Executive and Deputies Committee**, which serve as important decision-making bodies, meeting weekly and bringing together all aspects of the UN’s work to facilitate a more integrated and coherent UN response, with a particular focus on prevention.

23. UNICEF is working closely with several UN partners on joint programmatic and innovative actions in areas where we see opportunities for a major step change in efficiency and effectiveness, demonstrating UN reform in practice. Examples from our partnerships with UNDP, WFP and UNHCR are included in an annex, attached to this document.

## V. Advancing shared business operations & common premises

24. UNICEF continues to work closely with the UNSDG Business Innovations Group (BIG) to take forward the four workstreams proposed by the Secretary-General in the areas of Business Operations Strategies, common back offices, Global Shared Service Centers and common premises. The BIG continues designing comprehensive approaches and finetuning methodologies for clear business cases and reliable savings estimates. This is critical to ensure changes are based on robust analysis and we can effectively measure and collectively report on progress. UNICEF currently seconds one dedicated staff member to the BIG project team.

25. The BIG continues testing the newly revised **Business Operations Strategy (BOS)** guidelines. As explained earlier, the BOS is a strategic tool to detail levels of cooperation and collaboration amongst UNCT entities, is agreed by the Office Management Team (OMT) and supported by the RC. The new guidance is focusing on functions with high efficiency gain potential at country level, and has reduced the time and complexity of the exercise, from 27 weeks to 4-8 weeks. A new online BOS tool, with ability to track progress and measure impact has been developed. In December 2019 the new guidance and online system was handed over from the BIG to DCO – a move which UNICEF fully supports. The guidance and the system has started to be rolled out globally, with active engagement from UNICEF. UNICEF is currently finishing the end of year reporting for BOS, and we are confident that targets set out in the Strategic Plan will be achieved.

26. UNICEF also supports the hand-over of the work on **common premises** from the BIG to DCO planned for early 2020. In the meantime, the BIG is finalizing consolidation planning guidelines and tools, and a UN-wide premise database. UNICEF is supporting the BIG in this endeavor. As indicated earlier, we will aim at co-location as the new norm when opening new locations in the future. Currently 49% of UNICEF premises (193 of 394) are common, and 83 UNICEF premises are provided rent free by host governments for a total equivalent value of \$19.5 million annually.

27. In support of **country-level common back-offices**, the BIG has finalized a cost-benefit analysis on data collected from UN agencies in Albania, Botswana, Jordan, Laos, Senegal and Vietnam. The data obtained gives an understanding of total cost by function at country level, as well as identifying consolidation opportunities for location-dependent services that could result in cost-savings for the agencies involved. UNICEF undertook its own study in 2019 in support of this initiative to identify scenarios where it can realize savings at country level through common back-offices or through moving non-location dependent services to a global shared service center. Based on both the missions undertaken by BIG and the study undertaken by UNICEF, the BIG interagency project team is moving forward with identifying services that could be consolidated into a common back office and will have exploratory meetings/calls with agencies aimed at developing a pilot.

28. Globally, the BIG is refining the concept of a market-place for non-location dependent services that could more efficiently be provided by global shared service centers. The High-Level Committee on Management (HLCM) has undertaken a 'marketplace survey' to identify and support the exchange of such services between UN entities. This will help determine the viability of a **network of shared service centres** while being clear about value for money, service level targets, and comparative performance advantages. While we do not foresee any additional monetary savings for UNICEF from this initiative, there may be for smaller agencies if they choose to receive services from other agencies. Given the commitments UNICEF has made in its Strategic Plan, it has yet to determine the level of services it could provide to other agencies. At the moment the BIG is doing a follow up survey to obtain a clearer picture on the independent services proposed.

29. UNICEF was among the first agencies to operationalize the use of the concept of '**mutual recognition**' beyond procurement. This principle allows UN agencies to use each others' policies and procedures without having to repeat the process for assessing competitiveness, legality or audit impact. In November 2019,



UNICEF's DED Management issued a new guide for regional and country offices on mutual recognition, inviting offices to use the principle in well-defined areas of finance, procurement, logistics, information and communication technology, administration and human resources, where there is a solid business case for cost savings and added value for UNICEF. Subsequently, UNICEF shared this internal guide with the BIG which in turn invited all BIG members to adapt it for their own use.

30. In general, UNICEF remains strongly committed to achieving efficiencies wherever possible. Studies which we have also shared with the BIG show that the biggest potential for savings stem from 'vertical integration', i.e. through centralization of specific functions and associated specialization. UNICEF will give a comprehensive update on efficiencies achieved in 2019 at the annual session of the Executive Board.

31. As explained in earlier UNDS Updates, UNICEF has an ambitious plan to drive efficiencies within the organization and established a **global shared services center** in Budapest in 2015 that generates over \$25 million in annual savings based on its original scope. Since then, it has expanded its services to generate an additional \$5 million in savings and will use the current Strategic Plan to identify further areas for cost savings. Additionally, UNICEF has embarked on a number of other cost savings initiatives such as renegotiated travel contracts and eco-efficiencies that have generated a further \$6 million of savings from the back-office in 2018 and 2019. Savings or costs avoided from such actions will continue to allow UNICEF to maximize resources available for programmes and results for children.

## VI. Optimizing UNICEF to deliver in a repositioned UN development system

32. The enhanced coordination function, with a full-time RC and scaled up RC office, offers an opportunity for many smaller UN entities to look at new models of coverage, allowing their mandates to be better reflected in UNCT work and opportunities for flexible support modalities, with RCs acting as facilitators and connectors. As an agency with near-universal programmatic and physical presence in programme countries (as well as additional reach via National Committees) UNICEF does not currently see a need to reconsider field footprint as a result of the UNDS reform. The one tangible change has been in Cabo Verde, where UNICEF, UNDP and UNFPA have long maintained a joint office with a single representative who – like UNDP representatives in all other countries – was, before the reform, also the RC. In line with the reform, the three agencies have separated the representative function from the RC function, while ensuring to retain the unique operating model in Cabo Verde, with a single UNDP-UNFPA-UNICEF office, a single programme, and a joint representative who is participating in the UNCT under the leadership of the RC.

33. The Interagency Review Team (IRT) for the **Regional Review** concluded its work in December and sent its final report to the Deputy Secretary-General. UNICEF participated actively in the IRT, including by submitting joint proposals with UNDP, UNFPA, UN Women, WFP and UNHCR. We understand the agreements reached by the IRT, including on the functions and governance of the Regional Collaborative Platforms, will be drawn on by the SG in his report to ECOSOC's Operational Activities Segment for 2020, for consideration by member states. Pending endorsement, UNICEF is committed to being an active participant in the new Regional Collaborative Platforms, and to continue to engage and, where appropriate, co-lead regional Issue-Based Coalitions.

34. In addition, UNICEF Regional Directors and their offices have made significant contributions to region-by-region discussions on the operationalization of the other SG's recommendations on the Regional Review. The five UN regional configurations are establishing web-based knowledge management hubs, establishing or strengthening regional coordination mechanisms on data and statistics, and developing regional results frameworks focused on the work of Issue-Based Coalitions – all tailored to the particularities of the specific

region. UNICEF will contribute actively to these initiatives, bringing its expertise in areas like data and statistics and results-based management where useful.

35. The **Multi-Country Office (MCO) Review** is still ongoing. Over the last four months, UNICEF actively participated in the discussions of the MCO Inter-Agency Working Group, co-led by UNDP and UNEP. This Group facilitated intense debate among agencies, funds and programs on specific steps to further strengthen their coherent, efficient and effective coverage and collaboration in MCO settings. UNICEF also actively contributed to the IAWG draft recommendations on which the IAWG co-chairs will brief member states further. In line with the requests made by the Economic and Social Council in Resolution 2019/15, intergovernmental consultations will be held on the MCO Review in the coming months. Once the outcome is known, UNICEF will be ready to brief the Executive Board on concrete next steps.

36. UNICEF sees the ongoing **Mid-Term Review (MTR) of our Strategic Plan** as a good opportunity to assess the implications of the UNDS repositioning for the organization. When designing the internal MTR process, UNICEF management decided to set-up a dedicated “Interdivisional Task Team on UNDS Reform”. The Task Team started its interdivisional discussions in September 2019, assessing the programmatic and operational implications of UNDS reform. The assessment took a comprehensive look at reform elements paying special attention to the significant changes in the set-up of the reinvigorated RC system, the new UNSDCF guidance but also the System-wide Strategic Document. After initial discussions at HQ level, the Task Team consulted all Regional Offices to ensure that the field perspective be adequately reflected.

37. In December 2019, the Task Team submitted its analysis through the MTR Technical Group to UNICEF senior management. The initial findings cover issues related to the further alignment UNICEF programming with strategic UN initiatives such as the Decade of Action; the pursuit of more holistic programming across the humanitarian-peace-development continuum; the adjustment of accountabilities vis-a-vis DCO/RCs as well as other UNDS entities at global, regional and country levels; realization of efficiency gains; and mainstreaming of SDG financing. The preliminary findings are currently being discussed further and synergized with other MTR findings developed by other internal MTR Task Teams looking at programmatic and operational issues. They will also be discussed further with Member States in an MTR Workshop in late February.

38. During 2019 there were some other **internal structural changes to UNICEF at HQ level** which, in part, aim, to ensure we are well positioned to support effective SDG achievement in close partnership with UN sister agencies. This includes the appointment of a senior staff member to lead in the development of and strengthening of bilateral partnerships and joint initiatives with key operational UN agencies, particularly UNDP, UNHCR, and WFP. Other changes include a merger of divisions to bring the strategic planning, results, data, analysis and monitoring functions together, promoting synergy on a number of critical elements of our interagency programmatic work, and enhancing coordinated support to country offices. The global insight and policy function and the innovation function within UNICEF have also each been enhanced.

## VII. Conclusion

39. The elements of the UNDS reform can be categorized into (a) structural changes, (b) the formulation of new processes and policies, and (c) ongoing implementation efforts to drive results. Among the first two categories, a few key aspects remain open in 2020, particularly the Regional and Multi-Country Office Reviews; the agreement of the regional and global chapters of the MAF; and finalization of the UNSDCF companion pieces. UNICEF remains committed to these efforts and will continue its active engagement. At the same time, the emphasis for the year ahead must be on the third category –moving forward with implementation. This is essential to the success of the reform – we need to draw on the assets and mechanisms we now have in place

to deliver on the ambition of the SDGs and to ensure a more coherent, holistic and strategic approach by the UN system as a whole.

40. Most important of all is implementation at **country level**. 2020 will see the first batch of new UNSDCFs and new Business Operations Strategies, using new guidance and approaches for each. Pilots are underway for UN INFO and common premises. The Joint Fund for the SDGs is entering its second round of proposals, encouraging the use of joint programming to address complex multi-partner issues. UNICEF country offices are actively engaged in all these efforts, with support from regional and HQ level. Building on a methodology shared by UNFPA, UNICEF HQ is currently planning a survey to all country representatives to seek feedback on reform implementation, collect success stories and best practices, and identify any challenges and bottlenecks. We will share outcomes from this survey with the Executive Board during the annual session in June.

41. Active implementation is also needed at **regional and global levels**. Already work is underway on a region-by-region basis to implement many aspects of the SG's recommendations for the Regional Review, especially to strengthen system-wide approaches to knowledge management, data, and key programmatic results. Through the UNSDG, Executive Committee and other global-level coordination bodies, UNICEF expects the system to move forward with specific global integrated initiatives, partnerships and joint programmes which draw on the network of RCs and UNCTs in every country, and can show concrete impact for people and communities. And, we will continue to work actively for global roll-out of mutual recognition and shared services; for a strengthened RC pool; and for full implementation of Funding Compact commitments on both 'sides' of the bargain.

42. UNICEF looks forward to close engagement with the Executive Board on all aspects of UNDS reform implementation throughout the year ahead, building on good discussions in 2019.