

## Editorial

A new form of international cooperation is required to meet the 2030 Agenda for Sustainable Development Goals adopted by the international community. The global challenges need to be tackled on an interdisciplinary and multi-sectoral basis, cooperation must be stepped up and duplication avoided. The UN agencies must change the way in which they work accordingly. In response, the UN Secretary-General put forward ambitious reform proposals. In May 2018, all member states declared their support for them. While donor countries backed the reform proposals, some developing countries and UN organisations had reservations – they harboured concerns that it was a saving exercise dressed up as reform. Switzerland, which is highly valued within the UN as a neutral mediator, actively engaged in the discussions in view of these tensions. It was even requested by the UN Deputy Secretary-General to continue in this role to conclude the reform process and to contribute towards a more efficient UN. The most urgent matter was the funding of the reform because Russia, the USA and Japan opposed funding from the regular budget. However, the reform can only have an impact in the field if the required resources are made available. Switzerland therefore proposed a funding model that places an equal burden on the UN agencies, the donor states and programme funding. This has now entered into force.

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## THE UN IS REVIEWING HOW IT OPERATES TO ACHIEVE THE SUSTAINABLE DEVELOPMENT GOALS



Caption: The reform ratified by the UN General Assembly in May 2018 should allow, amongst other things, an increase in the UN agencies' financial capacity with a view to achieving the objectives set by the 2030 Agenda. © UN

**An ambitious set of reforms to the United Nations development system entered into effect on 1 January 2019. Heavily involved in the discussions, Switzerland firmly believes that intensifying cooperation between the UN agencies is a positive step in implementing the integral and multi-sectoral approach advocated by the 2030 Agenda.**

Switzerland is often actively involved in matters concerning changes to the UN Security Council's rules of procedure. However, in addition to the discussions held on this issue, other reform processes concerning the UN system are taking place unnoticed. What officially entered into force on 1 January 2019 was effectively the reform of the UN development system, an extensive overhaul of the UN development sector's modus operandi.

What exactly does this mean? To understand what the reform means, you have to go back to a mandate assigned to the UN

Secretary-General in 2016 by the organisation's General Assembly. António Guterres was asked to reflect on changes that would make the UN agencies that focus on development function in a more strategic, efficient and transparent way.

The reform of the repositioning of the United Nations development system did not just intend to provide a response to the lack of resources available to tackle the major challenges of today's world (poverty, conflicts, climatic disasters). Above all, it sought to re-tool the UN system following the adoption of the 2030 Agenda in September 2015.

## Making the most effective use of the UN's multi-sectoral approach

"We must make every effort to ensure the development system's response meets the level, scale and ambitions of the 2030 Agenda," indicated UN Secretary-General António Guterres in a report presented in June 2017. Genuine structural changes and an approach in line with the multi-sectoral and integrated approach to development underpinned by the 17 Sustainable Development Goals (SDGs) was called for.

As well as setting new ambitious and innovative objectives on development, peace and security, the 2030 Agenda is bringing about a genuine revolution in how the challenges facing humanity are addressed. They should no longer be considered individually, but rather perceived as closely interrelated. This new philosophy of cooperation requires the UN agencies to strengthen certain already-established synergies and to extend the scope of their funding to provide an opportunity to achieve all the SDGs. Above all, it is evident that stronger leadership is required to take full advantage of the multi-sectoral approach which the various UN institutions provide together. "There is an urgent need to develop the system beyond good coordination towards greater

authority, integration and accountability," remarked António Guterres.

His call was heard. At the end of May 2018, the UN General Assembly adopted a binding resolution essentially validating a list of recommendations made by its various organs.

## Strengthening the effectiveness of the UN

Three main areas of reform can be identified. Firstly, a 'new generation' of UN country teams has been created in the countries receiving aid. Tasked with implementing 'revitalised' development assistance frameworks in line with the 2030 Agenda objectives, they are managed by Resident Coordinators with greater powers since 1 January 2019. The latter are no longer attached to a particular agency, such as the United Nations Development Programme (UNDP), which was most commonly the case. They act as direct representatives of the UN Secretary-General in the host countries and, in this capacity, oversee the multi-sectoral cooperation provided by the UN more effectively.

Secondly, the United Nations development system will undergo 'progressive realignment' at institutional level through optimised regional collaboration and the gradual merger of Executive Boards in New York. This concerns the UNDP, UNICEF, UN Women and the United Nations Fund for Population Fund (UNFPA).

Thirdly, the reform calls for a new 'funding compact' where the proportion of unearmarked contributions made by member states has to increase (see the article on p. 3). A joint fund to support the 2030 Agenda and various funds for the Resident Coordinators are in the process of being set up (see info-graphic below) with a view to more firmly establishing UN inter-agency action in the beneficiary countries.

Switzerland views these developments favourably. The sustainable development experts and diplomats at the Swiss mission in New York supported the idea of stronger effectiveness by the UN bodies since initial talks began. Their efforts have played a key role in gaining the support of a majority of countries for the idea of multiple funding channels despite the intransigence shown by some major powers.

## FUNDING CHANNELS FOR UN DEVELOPMENT ACTIVITIES – PRIORITY GIVEN TO GENERAL CONTRIBUTIONS

### › '2030 Agenda' joint fund

The UN Secretary-General hopes to raise unearmarked contributions of USD 290 million a year to fund joint projects between UN agencies in the field. The funds collected will be used explicitly for the purpose of achieving the Sustainable Development Goals.

### › Resident Coordinator System Trust Fund

Held by the UN Secretariat in New York, the fund will be used to finance the running of the offices of the UN resident coordinators posted around the world as well as various 'federative' projects initiated by the latter.

### › General contributions paid to UN agencies

Through the reform, the donor countries are encouraged to favour general contributions to ensure the running of the agencies that they decide to support.

### › Unearmarked contributions to development assistance frameworks

In several countries, the Resident Coordinators already invite donor countries to contribute to a joint fund that is available to the UN programme overall.

### › Earmarked contributions (known as 'multi-bi')

Funding provided by donor countries to UN agencies for specific projects in a particular country.

→ The more general the contributions are – in other words, not specifically intended for a particular agency, country or project – the greater the UN's room for manoeuvre.

→ When the donor countries provide unearmarked funding for a cooperation programme defined by the UN or government concerned in a particular country, the UN country teams are strengthened in their role as 'judge/referee'. It allows them to meet the priorities of the 2030 Agenda in a more flexible, strategic and unbiased way. In contrast, earmarked (or project-based) contributions reduce the role of the UN agencies to that of simply implementor.



General contributions ultimately ensure **aid for beneficiaries that is more in line with the 2030 Agenda's integral philosophy**. They enable greater cooperation between UNICEF and UN Women, for example. Put into practice: the girls and boys involved in a UNICEF project are made aware of the issue of gender equality.

# The dilemma over general contributions or earmarked funding

To improve the efficiency of the United Nations development system, the Secretary-General António Guterres clearly expressed his desire to reduce the level of earmarked (project-based) contributions and to increase the proportion of general contributions from 22% to at least 30%. Switzerland endorses this approach. "The 2030 Agenda requires a transversal approach to problems. Providing the greatest possible room for manoeuvre for UN organisations which, in each country, are able to act together on several issues at once is the best option in our view," explained Patricia Barandun, an SDC programme officer. She added: "Too many earmarked contributions means that aid becomes fragmented. In contrast, general contributions enable the UN agencies to tackle the most urgent priorities."

Unfortunately, many member states continue to favour project-based funding to

provide their taxpayers with the highest degree of traceability for the actions they support via the UN. Switzerland leads by example. It pays 40% of its financial contributions to 15 priority multilateral organisations without earmarking it for specific purposes.

## The example of Albania

'Shared pots' are also favoured on the ground. After the 'One UN' pilot project launched in 2007, the office of the UN Resident Coordinator in Albania set up a 'coherence fund' aimed at increasing the impact of UN action in the country. Switzerland and Sweden were the main contributors. Ten years later, the fund accounts for between 10% and 15% of the money spent by the UN in Albania. "Demanding more from donor countries is difficult," acknowledged Brian Williams, the current Resident Coordinator. "Persuading them to opt for an area of intervention rather than a specific agency is challenging enough."

In view of this situation, the Swiss cooperation office in Tirana decided to support the 'social inclusion' objective of the 2017–21 cooperation programme drawn up by the Albanian authorities and the UN. The money that Switzerland transfers to the 'coherence fund' is actually used to finance a specific project aimed at educational and social integration of population groups discriminated against. "At every follow-up meeting, we underline the fact that we want the national and local institutions concerned to develop their own competences to address the issue," pointed out Philipp Keller, deputy head of mission at the Swiss embassy in Albania. This example shows that contributing to a UN fund does not rule out influencing the outcomes expected of projects.

## Three questions for... Metsi Makhetha

Having enjoyed a 20-year career at the United Nations, **METSI MAKHETHA**, who is from South Africa, is today the UN Resident Coordinator in Burkina Faso.

### What changes do you expect as part of the reform of the UN development system?

Above all, the reform should allow us to achieve things that up until now seemed like common sense, but which were often not taken any further. The UN works as an integral system available to governments. I insist on using the word 'system'. That's our value added. I mean here in Burkina Faso, for example, the UN presence includes specialist development agencies, others that monitor the application of international norms, humanitarian teams and advisers who support the efforts of the authorities to create the conditions for lasting peace.

### In what ways will the reform make all of this more evident?

Within the UN, the resolution adopted by the member states provides incentives, which aim to give our work fresh impetus. I'm thinking of the funds that will be made available to the resident coordinators to improve the coherence of the actions and the results achieved on the ground which are to be systematically presented as system-wide, in line with the 2030 Agenda philosophy. Our development partners – the national authorities, donor countries and civil society – should evaluate our actions in light of the paradigm shift.



### Some people feel that this is just another reform of the UN for the umpteenth time ...

They are entitled to their opinions. However, it is our responsibility to produce conclusive results that will also help to persuade taxpayers in the donor countries. I am well aware that the burden will mainly be shouldered by the country teams deployed on the ground. We are nonetheless ready to take up the challenge. If we want to achieve the Sustainable Development Goals (SDGs), we cannot accept the status quo.

# Why Switzerland sees the UN as a vital partner

A 'strategic commitment' – that is the term Switzerland uses to define the purpose of its multilateral development cooperation, which refers to the partnerships entered into and funding provided to the UN organisations, development banks, funds and global networks.

The first advantage as far as the UN Funds and Programmes are concerned is that they are present in all the developing countries. Funding projects implemented by the UN agencies enables Switzerland to supplement its bilateral cooperation. The UNDP, for example, uses some of the funds allocated by the SDC to improve conditions of access to justice and security for millions of citizens in 86 countries.

## The UN – guardian of the norms

Further added value of the UN organisations: their recognised role in the formulation of norms in both partner countries and at international level. Many governments are receptive to the proposals made by the UN to reform their public policies. The idea sometimes comes from a country like Switzerland. A financial boost from a UN agency makes things easier. "You have to understand that the UN is the only global institution that has a normative mandate over various fundamental issues, such as human

rights, the fight against HIV/AIDS and respect for the rights of migrant workers, and that it is authorised to apply these norms in all countries," underlined Patricia Barandun, an SDC programme officer.

In New York and Geneva, Switzerland has a key ally in the UN for developing new action frameworks (2030 Agenda), monitoring established norms (Convention on the Elimination of All Forms of Discrimination against Women) or discussing the systemisation of funding models to achieve the Sustainable Development Goals. Switzerland's efforts in the UN bodies are widely recognised in terms of both content and form, such as when it acts as a facilitator in negotiations, for example. The support that Switzerland provides for multilateral bodies to ensure peace and security in the world clearly also serves its own interests.

## Global and local actions coordinated

In the field the partnerships that Switzerland has forged with various UN agencies provide an extension to the arguments that it puts forward within their deliberative bodies. In Afghanistan, for example, the SDC helped the Ministry of Justice to implement recommendations drawn up by the Human Rights Council based in Geneva. In Zimbabwe, it

supported the set-up of an innovative World Food Programme (WFP) project aiming to reduce the risk of loss for farmers in the event of a major climate crisis. Positioned between humanitarian and development aid, the project helps farmers to improve soil quality to make it more drought resistant. "The SDC has contributed its expertise and is following up the initiative in both Harare and Rome, where the head offices of the WFP are located," explained Juliane Ineichen, regional director of cooperation in Southern Africa until summer 2018.

Patricia Barandun is convinced that the reform of the United Nations development system being carried out will increase the UN's ability to make an impact. She was posted with the UN in Vietnam from 2009 to 2014. "Even at that time, the joint advocacy work of the UN and various donor countries vis-à-vis national authorities was very effective, particularly on sensitive issues, such as women's rights." The key synergies achieved by repositioning the UN in the partner countries will save time and money operationally and procedurally. The SDC and SECO regard this attractive prospect as good grounds for maintaining their financial contributions to the UN development system.



Caption: To support the integration of marginalised populations in Albania (pictured are Roma girls at a summer camp), Switzerland is financing a joint fund managed by the UN in the country. © UNDP

## Imprint

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This publication is also available in German, French, Italian and Spanish.