

Delivering as one



Report of the
Secretary-General's
High-level Panel on UN
System-wide Coherence



Delivering as one

Report of the
Secretary-General's
High-level Panel on UN
System-wide Coherence
in the areas of development,
humanitarian assistance
and the environment

Published by the United Nations
www.un.org

Cover photographs, clockwise from the top:
Hoang Tran Long/UNEP
Eskinder Debebe/UN
Ngoc Thai Dang/UNEP

Copyright © 2007 United Nations
Sales No.: E.07.1.8
ISBN: 978-92-1-101146-3

Co-Chairs' Letter to the Secretary-General

Letter dated 9 November 2006 from the Co-Chairs of the High-level Panel on United Nations System-wide Coherence in the areas of development, humanitarian assistance and the environment addressed to the Secretary-General

We have the privilege to transmit to you the report of the High-level Panel on United Nations System-wide Coherence in the areas of development, humanitarian assistance and the environment, entitled “Delivering as one”.

The report puts forward a series of recommendations to overcome the fragmentation of the United Nations so that the system can deliver as one, in true partnership with and serving the needs of all countries in their efforts to achieve the Millennium Development Goals and other internationally agreed development goals.

Our research and consultations revealed that the United Nations system has both strengths and weaknesses. It is an indispensable instrument in an age of growing interconnection between peace and security, sustainable development and human rights. However, bold reforms are needed to improve the effectiveness of the United Nations in delivering its mandate and responding to new and growing challenges. A more united system would be a stronger, more responsive and effective United Nations. A system reconfigured to optimally use its assets and expertise in support of country needs and demands would strengthen the voice and action of the United Nations in development, humanitarian assistance and the environment. A repositioned United Nations—delivering as one—would be much more than the sum of its parts.

Our proposals encompass a framework for a unified and coherent United Nations structure at the country level. These are matched by more coherent governance, funding and management arrangements at the centre. We have sought to consolidate existing entities wherever necessary, and to eliminate unnecessary duplication and competition. In all areas, our proposals identify the comparative advantage of organizations and delineate functions, roles and responsibilities. We have formulated mechanisms that would enable policy consistency and

strategies to modernize business practices for better performance and accountability. We have renewed our commitment to put into practice the principles of good multilateral donorship, and to ensure adequate, sustained and secure funding for organizations that upgrade their efficiency and deliver results.

The members of the Panel, while having different perspectives on some issues, all endorse the report and generally agree with its findings. From our extensive consultation process, we can assure you that there are important constituencies of support for each of the Panel's proposals. We believe that, if taken together and implemented, our recommendations will result in a stronger United Nations system, one that is fit to play the central role envisaged for it in the 2005 World Summit Outcome document.

Our report is addressed to you, but many of our recommendations will require commitment from and action by heads of Government and organizations of the wider United Nations system. Only through their leadership—and the commitment of the incoming Secretary-General—can we realistically forge the consensus and action required for a more cohesive United Nations system.

It has been an honour to take part in this work, and we thank you for the trust you have placed in us to lead this study. We also want to express our deep respect and thanks to all Panel members, who injected total commitment, enthusiasm and creativity into this important task.

We were supported in our work by a secretariat under the leadership of Executive Director Adnan Amin. Mr. Amin and his devoted staff allowed us to benefit from their great experience, invaluable knowledge and astute judgement during and between our deliberations. We are thankful for their dedication and hard work, which allowed us to complete our work on time.

Shaukat Aziz

Co-Chair
Prime Minister of the Islamic Republic of Pakistan

Luísa Dias Diogo

Co-Chair
Prime Minister of Mozambique

Jens Stoltenberg

Co-Chair
Prime Minister of Norway

Delivering as one

Report of the
Secretary-General's
High-level Panel on UN
System-wide Coherence
in the areas of development,
humanitarian assistance
and the environment

This page intentionally left blank

Contents

| | Paragraphs | Page |
|---|------------|------|
| Summary | | 1 |
| I. The case for reform | 1–13 | 11 |
| II. Development, humanitarian assistance and the environment | 14–51 | 17 |
| A. Development: delivering as one at the country level | 14–19 | 17 |
| B. Humanitarian assistance and the transition from relief to development: strengthening the capacity to respond | 20–29 | 21 |
| C. Environment: building a global consensus and capacity for action | 30–39 | 25 |
| D. Cross-cutting issues: sustainable development, gender equality and human rights | 40–51 | 30 |
| III. Governance, funding and management | 52–88 | 39 |
| A. Governance: consolidating some functions, strengthening others | 55–76 | 39 |
| B. Funding the United Nations system for results | 77–81 | 51 |
| C. Reforming United Nations system business practices: building institutions of public trust | 82–88 | 54 |
| Annexes | | |
| I. Terms of reference of the Panel | | 58 |
| II. Panel members | | 64 |
| III. Panel secretariat | | 66 |
| IV. Consultative process | | 67 |
| V. The United Nations system | | 70 |
| Acknowledgements | | 72 |

Beneath the surface of States and nations, ideas and language, lies the fate of individual human beings in need. Answering their needs will be the mission of the United Nations in the century to come.

Secretary-General Kofi Annan
Nobel Peace Prize acceptance speech
10 December 2001

The true measure of the success for the United Nations is not how much we promise but how much we deliver for those who need us most.

Secretary-General Ban Ki-moon
Acceptance speech to the General Assembly upon election
13 October 2006

Summary

Delivering as one

In facing up to the challenges of their times, the world leaders of 60 years ago created new multilateral institutions—the United Nations, the International Monetary Fund and the World Bank—in the conviction that international cooperation was the best way to solve the challenges of the post-war world.

Today we too face significant challenges: ours is an era of global change that is unprecedented in its speed, scope and scale. As the world becomes more interdependent, we are increasingly exposed to acute and growing social and economic inequalities. Poverty, environmental degradation and lagging development exacerbate vulnerability and instability to the detriment of us all. Achieving the Millennium Development Goals and wider internationally agreed development goals is central to our global economic stability and prosperity.

The United Nations played a crucial role in articulating the Millennium Development Goals. Now it needs to take action to achieve these and the other development goals and to support Governments in implementing their national plans. However, without ambitious and far-reaching reforms the United Nations will be unable to deliver on its promises and maintain its legitimate position at the heart of the multilateral system. Despite its unique legitimacy, including the universality of its membership, the status of the United Nations as a central actor in the multilateral system is undermined by a lack of focus on results, thereby failing, more than anyone else, the poorest and most vulnerable.

The 2005 World Summit in New York gave new impetus to the need for United Nations reform. At the initiative of the Secretary-General, the High-level Panel on System-wide Coherence in the areas of development, humanitarian assistance and the environment has worked for over six months to consider how the United Nations system can most effectively respond to the global development, environmental and humanitarian challenges of the twenty-first century.

We have undertaken a thorough assessment of the strengths and weaknesses of the United Nations system, holding consultations with

Summary

stakeholders around the world. We commend the United Nations as the indispensable force that drives forward the discourse on human development by defining and creating a global consensus in support of the Millennium Development Goals and the other internationally agreed development goals, playing a leading role in developing the concept of sustainable development, responding rapidly to humanitarian disasters and mobilizing international action for the protection of the environment. The United Nations system also continues to play an essential role as a convener, setting norms and standards and advising countries on their implementation at the global, regional, national and local levels.

However, we have also seen how the work of the United Nations in the areas of development and the environment is often fragmented and weak. Inefficient and ineffective governance and unpredictable funding have contributed to policy incoherence, duplication and operational ineffectiveness across the system. Cooperation between organizations has been hindered by competition for funding, mission creep and outdated business practices.

Delivering as one and overcoming systemic fragmentation is a central theme of our report. Taken as a whole, our recommendations could result in a step change in the way the United Nations operates at Headquarters, in each region and in each country. If implemented, the recommendations could deliver a better focus on performance, efficiency, accountability and results within the United Nations system, and could also enhance the role and voice of developing countries. These changes would secure and strengthen the role of the United Nations at the heart of the multilateral system.

We have developed a set of clear recommendations that are based on the following five strategic directions:

- Ensure coherence and consolidation of United Nations activities, in line with the principle of country ownership, at all levels (country, regional, Headquarters).
- Establish appropriate governance, managerial and funding mechanisms to empower and support consolidation, and link the performance and results of United Nations organizations to their funding.
- Overhaul business practices of the United Nations system to ensure a focus on outcomes, responsiveness to needs and the delivery of results by the United Nations system, as measured in advancing the Millennium Development Goals.
- Ensure significant further opportunities for consolidation and effective delivery of “One United Nations” through an in-depth review.
- Undertake implementation urgently but not in an ill-planned and hasty manner that could compromise permanent and effective change.

“One” is a central concept in the present report: the United Nations needs to overcome its fragmentation and deliver as one through a stronger commitment to working together on the implementation of one strategy, in the pursuit of one set of goals. We have come up with ambitious but realistic recommendations with the potential to radically change the way the organizations operate at Headquarters, in each region and in each country so as to enable the United Nations to achieve more than the sum of its parts.

The essence of our vision is for the United Nations to deliver as one in the areas of development, humanitarian assistance and the environment. The normative and analytic expertise of the United Nations, its operational and coordination capabilities and its advocacy role would be more effectively brought together at the country, regional and global levels. Member States should shape the governance structures, the funding framework and the business practices to make it so.

One United Nations for development—at the country level

We recommend the establishment of One United Nations at the country level, with one leader, one programme, one budget and, where appropriate, one office.

One third of United Nations country programmes include more than 10 United Nations agencies and in almost one third of them, less than US\$ 2 million is spent by each United Nations agency. One United Nations should be based on a consolidation of all United Nations programme activities at the country level, where the country wishes it. The programme must be developed and owned by the country, in line with its own national priorities. Effective delivery requires a single budgetary framework.

To manage the One United Nations country programme there needs to be one leader—an empowered resident coordinator. The resident coordinator shall be selected on the basis of merit and competition demonstrably open to candidates outside the United Nations Development Programme (UNDP) and the United Nations system. To ensure system-wide ownership of the resident coordinator system, the role of UNDP must change. It should focus and strengthen its operational work on policy coherence and positioning of the United Nations country team, and should withdraw from sector-focused policy and capacity work being carried out by other United Nations entities.

We recommend that 5 One United Nations country pilots be established by 2007 and, subject to satisfactory review, 20 One United Nations country programmes by 2009, 40 by 2010 and all other appropriate programmes by 2012.

One United Nations for development—at the headquarters level

We recommend the establishment of a Sustainable Development Board to oversee the One United Nations country programmes.

A coordinating board is necessary to provide oversight for the One United Nations country programme, in particular to provide system-wide coherence, ensure coordination and monitor the performance of global activities. We propose that the existing joint meetings of the boards of UNDP/the United Nations Population Fund (UNFPA), the United Nations Children’s Fund (UNICEF) and the World Food Programme (WFP) be merged into this strategic oversight body—the Sustainable Development Board—which would report to the Economic and Social Council.

The Board should comprise a representative subset of Member States on the basis of equitable geographic representation, and should enhance the participation and voice of developing countries. The Board would be responsible for endorsing the One United Nations country programme, allocating funding and evaluating its performance in advancing the objectives agreed with the programme country. The Board should also maintain a strategic overview of the system to drive coordination and joint planning among all funds, programmes and agencies, and to monitor overlaps and gaps.

We recommend that the Secretary-General appoint a Development Coordinator, with responsibility for the performance and accountability of United Nations development activities.

The UNDP Administrator should serve as the Development Coordinator. The Development Coordinator should report to the Board and be supported by a high-level coordination group, comprising the heads of principal development agencies and an expert secretariat drawn from across the United Nations system. The evolution of the role of UNDP as manager of the resident coordinator system requires the establishment of a code of conduct and a firewall between its streamlined operational activities and other functions.

We recommend that the Secretary-General establish an independent task force to further eliminate duplication within the United Nations system and consolidate United Nations entities, where necessary.

We do not advocate a single United Nations entity because many individual agencies can best achieve their vital role in providing global public goods, advocacy, research, promoting best practices and establishing global norms and standards by operating individually in their specific sectors.

However, it is clear that the United Nations system suffers from a large number of overlapping functions, coordination failures and policy inconsistencies. An independent task force should clearly delineate the roles performed by United Nations funds, programmes, specialized agencies and regional entities, including the United Nations Secretariat. It should make concrete recommendations for merging or consolidating duplicative functions and ensure the complementarity of mandates. The task force should report by the end of 2007 to the Secretary-General, with clear recommendations for early implementation. This exercise has the potential to release significant annual savings, possibly in the range of 20 per cent per annum; the exact amount should be assessed by analysis of the task force review. Efficiency savings should be recycled to the One United Nations country programmes.

Results-based funding, performance and accountability

We recommend the establishment of a Millennium Development Goals funding mechanism to provide multi-year funding for the One United Nations country programmes as well as for agencies that are performing well.

If the United Nations is to work more coherently and effectively, both at the country level and globally, significant changes are needed to the way donor funding is managed. Current United Nations funding patterns are highly fragmented, unpredictable and constrained by too much earmarking, which has encouraged duplication and inefficiency. This limits the United Nations and programme countries from making strategic decisions, and undermines the principles of multilateralism and country ownership.

A new Millennium Development Goals funding mechanism for voluntary donor funding (public, private and United Nations organizations) would provide multi-year funding for the One United Nations country programmes as well as for agencies that are performing well. The Sustainable Development Board would govern this mechanism. Donor contributions would be voluntary and could be specified. There should also be additional funding available at the discretion of the Board to reward headquarters of funds, programmes and specialized agencies that are performing well and to fund programmatic gaps and priorities in the system. To deliver maximum impact in advancing country priorities, we urge donors to contribute multi-year funding and substantially to reduce earmarking.

We recommend that United Nations organizations committed to and demonstrating reform receive full, multi-year core funding.

Donors should support consolidated multi-year funding for the One United Nations country programme and core budgets of United Nations entities committed

Summary

to reform. Donors would demonstrate by their actions that funding and performance are linked to results and reform.

Multi-year funding frameworks can be managed to increase focus on strategic priorities. Funding cycles of United Nations funds and programmes should be aligned to facilitate overall strategic coordination of United Nations programmatic work. The assessed budgets of the specialized agencies should be reviewed to ensure that they have sufficient core resources to deliver against strategic mandates.

The performance, funding and accountability of United Nations organizations are integrally linked. Funding must follow performance and reward results both for the One United Nations country programmes and Headquarters funding. The purpose of linking funding to performance is not to reduce funding but to improve outcomes. In fact, a more effective United Nations could be an important partner in effectively using additional official development assistance. The price of poor performance should not be paid by reduced United Nations funding into countries but by the management and institutions. A reformed United Nations system demonstrating improved outcomes would be better placed to capture increased aid.

The Sustainable Development Board, assisted by a special Development Finance and Performance Unit in its secretariat, should publish internal evaluations of United Nations system spending and performance, as well as evaluations of the plans of individual funds, programmes and agencies, to which the Board would have access. The performance of United Nations organizations in advancing internationally agreed development goals should be measured. These assessments would inform funding decisions, both by donors making direct contributions and through the discretionary funding mechanism for the Millennium Development Goals to be made available to the Board as discussed above.

The modernization and reform of business practices, to be led by the Secretary-General, should be implemented urgently. Processes for resource planning, human resources, common services and evaluation must achieve full compatibility as major drivers of coherence in the United Nations system. There should be greater opportunities for staff mobility and a system-wide agreement on results-based management, as well as independent United Nations system-wide evaluation and common evaluation methodologies and benchmarking. The United Nations must systematically grasp opportunities for expanding joint services.

Programme countries and donors should be able to see and compare the true overhead costs of delivery through the introduction and publication of consistent administration and back office costs.

To promote transparency and accountability, we recommend that a United Nations common evaluation system be established by 2008, on the basis of a common evaluation methodology.

Humanitarian assistance

The United Nations has a unique and leading role to play in humanitarian disasters and emergencies. We recommend that this role be further enhanced by:

- Stronger coordination between the United Nations, national Governments and non-governmental organizations, including the International Federation of Red Cross and Red Crescent Societies, through a “cluster” approach to establish lead roles in the delivery of specific assistance, such as shelter, water, and food.
- Fully funding the Central Emergency Response Fund to facilitate quicker, more effective flows of funds in response to disasters.
- Clarifying United Nations mandates with regard to responsibility for internally displaced persons.
- More investment in risk reduction, early-warning and innovative disaster assistance strategies and mechanisms.
- Stronger leadership, quicker funding and better cooperation in post-conflict and post-disaster transition, with a clear lead role for UNDP once humanitarian coordination winds down.
- Periodic assessment and review of the performance of United Nations agencies and non-governmental organizations involved in humanitarian assistance.

Environment

There is an increasingly compelling case for taking urgent action on the environment. Environmental priorities have too often been compartmentalized in isolation from economic development priorities. However, global environmental degradation—including climate change—will have far-reaching economic and social implications that affect the world’s ability to meet the Millennium Development Goals. Because the impacts are global and felt disproportionately by the poor, coordinated multilateral action to promote environmental sustainability is urgently required.

We recommend that international environmental governance be strengthened and made more coherent in order to improve the effectiveness and targeted action of environmental activities in the United Nations system.

We recommend that, as a basis for reforms to improve system-wide coherence, the Secretary-General commission an independent assessment of

international environmental governance within the United Nations system and related reform.

We recommend that the United Nations Environment Programme be upgraded and given real authority as the environmental policy pillar of the United Nations system.

We further recommend that United Nations entities cooperate more effectively on a thematic basis and through partnerships, with a dedicated agency at the centre.

As the major financial mechanism for the global environment, the Global Environment Facility should be strengthened to help developing countries build their capacity. It should have a significant increase in resources to address the challenge posed by climate change and other environmental issues.

We have also made a number of recommendations to make sure that the United Nations helps countries mainstream environment in their strategies and actions, to elevate the status of sustainable development in the United Nations institutional architecture and in country activities, and to achieve the needed balance among the three pillars (economic, social and environmental) of sustainable development.

Gender: a key to effective development

We recommend the establishment of one dynamic United Nations entity focused on gender equality and women's empowerment.

We consider gender equality to be central to the delivery of effective development outcomes, and the Secretary-General tasked us with a specific mandate to suggest radical changes for improving performance. We therefore propose a step change in the United Nations delivery of gender equality and women's empowerment, as follows:

- The three existing United Nations entities should be consolidated into an enhanced and independent gender entity, headed by an Executive Director with the rank of Under-Secretary-General, appointed through a meritocratic competition demonstrably open to those outside the United Nations.
- The gender entity would have a strengthened normative and advocacy role combined with a targeted programming role.
- The gender entity must be fully and ambitiously funded.
- Gender equality would be a component of all One United Nations country programmes.

- The commitment to gender equality is and should remain the mandate of the entire United Nations system.

Coordination with other multilateral agencies

The United Nations and the Bretton Woods institutions were established with the intention that they would work together in a complementary way. Over time both the World Bank and United Nations institutions have gradually expanded their roles, so that there is increasing overlap and duplication in their work. A balance needs to be struck between healthy competition and inefficient overlap and unfilled gaps. The Bretton Woods institutions and the United Nations need to work more closely together to remove unnecessary duplication and build on their respective strengths.

We therefore recommend, as a matter of urgency, that the Secretary-General, the President of the World Bank and the Executive Director of the International Monetary Fund set up a process to review, update and conclude formal agreements on their respective roles and relations at the global and country levels. These reviews must be periodically updated as well as assessed. This process should be undertaken on the basis of the enhanced performance, strengthened delivery and more influential role that the United Nations will have if our reforms are implemented.

Implementation

We have proposed a comprehensive set of recommendations that taken together could make the United Nations much more responsive to the needs of its Member States, in particular developing countries. The United Nations would become more effective, more focused and better able to deliver results. If United Nations system organizations, Member States and all stakeholders act on our recommendations, the United Nations could become a driver in development to eradicate poverty, in partnership with civil society and the private sector. A reformed United Nations would be able to capture the increases in development resources that were committed in 2005, strengthening its enabling role in development and delivering more effective global public goods for the benefit of all.

The present recommendations are not a menu of options but an integrated whole. Each is individually vital to make the system greater than the sum of its parts, not smaller as has sometimes been the case. The recommendations should each be implemented with vigour and urgency and without diluting their purpose.

We recognize that implementing these reforms will involve significant challenges and sometimes the sacrifice of individual interests for United Nations agencies, funds and programmes. They will need to work more closely and effectively with the rest of the United Nations system in the interests of a greater common

Summary

good. Donors will also be challenged by these recommendations, which propose changing the way they fund the United Nations in line with the principles of multilateralism and national ownership at different levels.

Our most important constituency are the billions who do not enjoy the prosperity and well-being that many of us take for granted and whose deprivation inspired a global call to action—the Millennium Development Goals. It is for the sake of the poor and the destitute that we need an efficient United Nations, one that is well governed and well funded and will remain a global repository of hope.

We have it within our grasp to make a real and lasting difference through the essential reforms set out in these proposals. All stakeholders in the United Nations system have a responsibility to seize this opportunity. Our actions and decision on reforms will for millions around the world make the difference between hope and despair, and for some the difference between life and death.

The world needs a coherent and strong multilateral framework with the United Nations at its centre to meet the challenges of development, humanitarian assistance and the environment in a globalizing world. The United Nations needs to overcome its current fragmentation and to deliver as one. It should help the world accomplish the ambitious agenda endorsed by the 2005 World Summit, the Millennium Development Goals and other internationally agreed development goals. It should enable and support countries to lead their development processes and help address global challenges such as poverty, environmental degradation, disease and conflict.

1. In facing up to the challenges of their times, the world leaders of 60 years ago created new international institutions—the United Nations, the World Bank and the International Monetary Fund (IMF)—and demonstrated by their actions that international cooperation was the only way to solve the economic and political challenges of the post-war world. The architects of these institutions built for their time and their generation not only a whole set of new rules for the international system—they gave expression to a new public purpose based on high ideals.
2. Just as they did 60 years ago, we face a changing world today. Ours is the era of globalization, of global change unprecedented in its speed, scope and scale. As the world becomes ever more interdependent, sharp social and economic inequalities persist. Some of the poorest countries and communities remain isolated from economic integration and the benefits of globalization, and are disproportionately vulnerable to crisis and social upheaval. There is greater awareness of the acceleration of environmental degradation and climate change, and its effects on agricultural productivity and food security. More conflicts are within States than between them, and the risk of terrorism and infectious disease illustrate that security threats travel across borders.
3. Poverty, environmental degradation and lagging development heighten vulnerability and instability to the detriment of all. Now,