



# Making Reform Happen: The UN Development System 2025

*1 October 2012 – 30 June 2015*

## 1. Context

The preamble to the UN Charter determined that “social progress and better standards of life in larger freedom” would be a key objective of the organization. The UN’s development pillar is now its largest in terms of professional staff and resources, and its development organizations and agencies are active in every developing and transition-economy country of the world.

Yet, even after more than six decades, and despite impressive progress in some regions, huge challenges remain; these include the problems of fragile state governance, persistent poverty, chronic hunger, health crises, drug abuse and social ills, environmental deterioration, climate change and energy depletion. By their nature and scale—often trans-boundary—many of these challenges are of the kind that are best addressed by a universal and values-based world body and its development system.

While the UN’s development mandate becomes ever more urgent and complex by the day, and while it has had since 2000 a common agenda for action in the Millennium Development Goals (MDGs), the system is adapting too slowly to the growing demand for the kind of services that it should provide. The UN Development System (UNDS) itself is substantial, comprising over 30 entities with headquarters in 16 different cities with some 50,000 staff and almost \$20 billion in annual expenditures. Depending on what types of entities are counted, the number may be as high as 70, and in any case rivalling the number of least-development countries (48).

The system and its components, which have evolved over a considerable time span, still have a largely “silo” (that is, by sector) orientation and respond to the dominant incentives to go their own way. This configuration becomes every day less appropriate as development demands more thematic and cross-disciplinary solutions, and concentrated rather than sequential inputs. Against the need for more cohesion across the wealth of experience and expertise that the UN system offers, the different parts of the system have become more, not less, autonomous over the years, leading to waste, duplication, and incoherence. Obviously a host of on-going efforts—including MOPAN—have generated relevant materials that will be helpful building blocks.

Some donor governments (e.g., the United Kingdom) are already targeting particular agencies (e.g., UNIDO and FAO). Moreover, alternative organizations and mechanisms have arisen and sometimes supplanted the UN system in global policy-making (e.g., G-8, G-20, G-24, WTO), research (e.g., World Bank, regional development banks, non-governmental organizations (NGOs), think-tanks, universities), standard-setting (e.g., ISO), and technical services (e.g., commercial consultancies, foundations). Major new “vertical” funds have grown up (including the Gates Foundation, Global Fund, GAVI Alliance, and

Open Society Institute) and are financing and implementing initiatives in health, environment and other fields in which the UN is active.

At the country level, the UN has become more atomized as the number of separate agency representatives continues to grow (more than 20 even in some middle-income countries). Striving for coherence demands ever more elaborate and costly coordination mechanisms—for both governments of developing countries and for UN organizations as well—when the UN development system should rather be finding ways of working more economically.

Reform has been on the UN development agenda over many years, but has yielded very limited results. Most recently, in 2006, the High-level Panel on System-wide Coherence (which found “policy incoherence, duplication and operational ineffectiveness across the system”) put forward a 10-point programme of change. Although far from radical, it has only been very partially implemented. However, it represents an important base-line for the changes that will be necessary to render the UN development system more effective and responsive. A new UN entity (UN Women) was created from four small organizations to further the cause of women in development—the first time in UN history that existing institutions have been shuttered. And at the country level, the “delivering as one” (DaO) initiative is designed to foster greater cohesion among the many different parts of the system; and early evidence suggests that some new donor monies have led to a change in behavior in the field. In January 2012 the Secretary-General published his Five-Year Action Agenda, which underlines many on-going priorities but mainly in the New York secretariat as part of a first stage of reform. The implications for other parts of the UNDS are unclear.

Funding is a critical consideration. For most of its existence the UN development system has relied heavily on the same group of OECD/DAC donors for both its core and non-core support. The OECD/DAC donors continue to provide over 60 percent of total UN development resources. But the pattern is changing. Within that figure, the proportion of non-core funding by the DAC countries has risen from less than 30 percent in 1994 to over 50 percent in 2009 (according to UN DESA). This reliance on non-core funding has allowed the UN development system to continue to grow, albeit increasingly following spending patterns determined by individual donors. But non-core funding is volatile and is at risk from the renewed budgetary stringencies of many of the traditional donors. Thus, the system undoubtedly will need to rely more in the future on the funding support of the non-DAC countries, including the BRICS. As their share increases so will their influence within the system. Currently their influence is exercised largely through hosting UN institutions designed to show-case the technology and expertise of the host country in the name of South-South cooperation—for instance, UNIDO alone has six technology centres in China.

The five BRICS are between the 21<sup>st</sup> (China) and 34<sup>th</sup> (South Africa) largest contributors to UN development, providing US\$172 million in 2009 (core and non-core). This combined amount is less than the contribution of France (12<sup>th</sup> largest contributor) and is mainly core funding, which is partly determined by the anachronistic scale of UN assessed contributions. This system only slowly evolved, a discussion that continues in the Fifth Committee at the 2012 General Assembly. China is the world’s second largest economy but is still assessed at only 3.2 percent of the total UN budget, and India at only 0.5 percent. However, Brazil supplements its contributions to UN development with substantial payments of “local resources,” which amounted in 2009 to over US\$100 million and essentially consisted of direct payments for UN services. Argentina is another large contributor, and these and other middle-income countries have become important sources of funding for UNDP in particular. These payments for country-specific services strengthen the client orientation of the system.

## 2. Immediate Antecedents for the Proposal

The present proposal supports the universally acknowledged need for change, if not transformation, in the UN development system to make it more effective and responsive to global challenges up to, but especially beyond 2025, a decade after the target date for the Millennium Development Goals and an appropriate starting point for a follow-on phase whose moniker is yet to be determined. Undoubtedly, those policies will be adjusted in light of experience, analysis, and the views of a 26-member high-level panel named by Secretary-General Ban Ki-moon to advise him on the post-2015 development agenda. Co-chaired by UK Prime Minister David Cameron, Liberian president Ellen Johnson Sirleaf, and Indonesia president Susilo Bambang Yudhoyono, the panel will make recommendations, building on the MDGs with a view to ending poverty and based on economic growth, social equality, and environmental sustainability. The panel is expected to work closely with an intergovernmental group on the so-called sustainable development goals (SDGs), as agreed at the June 2012 Rio+20 Conference.

This need was reaffirmed at a Wilton Park Conference in November 2010 at which a diverse and multinational group of participants from within and outside the United Nations urged a continuing reform process. This undertaking had support from a number of public and private donors, including: the United Kingdom (Foreign and Commonwealth Office), the Norwegian Government, PriceWaterhouseCoopers, Outsights (a UK consultancy), and the FUNDS project itself.

Building on that experience, the Government of Norway provided funding for the start-up Phase of the current project in December 2011. The start-up phase involved redesigning the project website (<http://FutureUN.org>) and hiring Dalberg Associates to do a more detailed and sophisticated global perceptions survey (see summary at: <http://futureun.org>). The survey provided insights on the perceived relevance and effectiveness of the UNDS and its constituent organizations, as well as showing the preferences of respondents for the short-, medium-, and longer-term reforms within the system.

The conversation continued at a conference based on that survey at “New Challenges, New Partners, a New UN Development System?” which was organized at Wilton Park on 14-16 May 2012. A distinguished and diverse group of participants attended. Norway was joined by Switzerland and the Netherlands in helping to fund the conference. This off-the-record discussion was useful in considering how to accelerate the Delivering as One process in the light of the 2012 evaluation; examining the implications of two global perception surveys for UN reform (2010, 2012); assessing how the system could become more effective in addressing contemporary development challenges; examining the evolving role of the BRICS in the UN development system; reviewing the evolution of private funding to the UN; evaluating the impact and effectiveness of the UN development system in assisting developing countries to achieve the MDGs; and considering a post-2015 UN development agenda, with goals as appropriate. A complete report is available at <http://FutureUN.org> and at <http://www.wiltonpark.org.uk/resources/en/conference-pages/2012/wp1183>.

A draft document written by the two principal investigators, Stephen Browne and Thomas G. Weiss, was vetted by a knowledgeable group on 26 June 2012 in New York at a discussion hosted by PriceWaterhouseCoopers and sponsored by the UN Foundation and the Business Council for the UN System (an independent report on that session is available at <http://passblue.com/category/special-report/>). As a result the report, was improved, and *Making Change Happen: Enhancing the UN's Development Contributions* was published in September 2012 in time for the General Assembly's opening weeks. The World Federation of UN Associations has become a partner, which helps us both stretch the Project's budget

as well as have it distributed more widely. The document is available at <http://www.FutureUN.org>.

The participants at Wilton Park were enthusiastic about continuing the work of the team into an additional phase beginning on 1 October 2012. The survey and research to be accomplished are spelled out below, beginning late in 2012 and finishing by mid-2015.

### 3. Rationale

Recognizing the many frustrations that have accompanied UN reform hitherto, the current proposal envisages a carefully staged process, over a start-up period in later 2012 and then the 30 intensive months of the project's duration, which is designed to help build a consensus around at least some of the necessary changes. The overall objective is to accelerate change. The project will contribute to the debate on UN reform with solidly-grounded and evidence-based research; assist those responsible for multilateral policy in member states to formulate positions on the UN development pillar; and mobilize opinion amongst an ever-widening array of stakeholders about the need for change and the ways in which change can be driven.

The consensus that the project seeks to build will not just be within the "first UN" (governments) and "second UN" (secretariats), but also—and especially—the "third UN" comprising NGOs, the private sector, academia and civil societies at large. This larger embrace grows from the work of the Ralph Bunche Institute's United Nations Intellectual History Project,<sup>1</sup> to which 8 Governments and 7 Foundations contributed from 1999 to 2010, and is an accurate reflection of contemporary international organization. In particular, it includes those for whom the services of the UN development system are ultimately intended.

The time to continue work on this proposal is now, for several reasons:

- In spring 2012, the results from the first phase of the Delivering as One evaluation were made available, leading to thoughts for strengthening UN coherence.
- Documents have been prepared for the 2012 Quadrennial Comprehensive Policy Review of Operational Activities of the UN development system, for which comprehensive feedback is being sought.<sup>2</sup>
- Following his re-election in January 2012, senior staff have formulated an agenda for the Secretary-General's second term. The FUNDS team attended another Wilton Park conference at which the S-G's Five-Year Action Plan was discussed. It is anticipated that the reform of the UN development system over the next five years may be part of a possible legacy for Ban Ki-moon.
- Towards the end of his second term, the 2015 target date for the MDGs will be reached, prior to which there will be extensive deliberations on the next set of UN development goals. As a lead-up to this date, it will be paramount to review and assess the capacity of the UN development system to assist countries in achieving and monitoring the subsequent set of goals, giving attention to the comparative advantages of the UN, the existence of new alternative development funds and

<sup>1</sup> See Richard Jolly, Louis Emmerij, and Thomas G. Weiss, *UN Ideas That Changed the World* (Bloomington: Indiana University Press, 2009); for information about the other titles and the oral history, see [www.unhistory.org](http://www.unhistory.org).

<sup>2</sup> Paragraph 10 of the enabling GA resolution 64/289 "requests the Secretary-General, under the auspices of the Economic and Social Council and in cooperation with United Nations resident coordinators, to prepare and put in place a periodic survey, directed to Governments, on the effectiveness, efficiency and relevance of the support of the United Nations system in order to provide feedback on the strengths and main challenges encountered in their interactions with the United Nations development system." See also, Bruce Jenks and Bruce D. Jones, "Punching Below its Weight: The UN Development System at a Crossroads," draft October 2011 Center for International Cooperation; and Bruce Jenks, "Emerging Issues in Development Operations," draft April 2012, UN Department of Economics and Social Affairs.

organizations, and the emergence of the BRICS and other major new developing country powers.

- While ODA continued climbing slowly until 2010, it is now shrinking; and the possible shrinking of resources, along with increased ear-marking, is inducing more readiness among agencies to consider more substantial reforms than traditionally has been the case.
- Participants at Wilton Park in May 2012 supported enthusiastically continuing along the path initiated during the start-up phase (January-September 2012).

#### 4. Deliverables

The proposal has four main deliverables: original research monographs and an edited book; surveys of knowledgeable experts about the state of the UN Development System and its future problems and prospects; a web-based campaign of outreach to disseminate findings and engender support for change; and a series of international conferences to discuss project findings and leading issues of UN development reform, attended by interested parties—member states, UN organizations, NGOs, private sector, the media.

#### Research and Workshops

Research will fall under three substantive headings: the essence of UN multilateralism; groping with the current array of results, management, and funding; and the shape of a reformed UN development system. The project will publish contributions under these three heads and also encourage the drafting of briefs on different aspects of UN reform, for posting on the website.

Four important sets of tensions will be distinguished throughout: 1. the UN's roles as source of ideas (norms entrepreneur, standard setter, knowledge manager) and a source of operational services (technical assistance and capacity-building); 2. the differences between inputs (the structure of the so-called system) versus outputs (the nature of development); 3. effectiveness (cost-benefit in relation to alternatives) versus relevance (impact); and 4. the distinctions among procedures (formal), techniques (informal), structures, "culture," and incentives.

#### Survey

The 3,350 replies to the 2012 perception survey—three fourths from the global South and with a good mixture of public (i.e., government and intergovernmental organizations) and private (i.e., corporations, NGOs, academics)—were designed by the co-directors with the assistance of Dalberg Associates. The results of that survey provided grist for reactions at Wilton Park, where suggestions were made for a follow-up survey targeted at a smaller number of knowledgeable experts from what are called the "three UNs."<sup>3</sup> One of the clear trends in and around the UN Development System is the proliferation of purveyors/suppliers and the need for a clearer division of labour and consideration of comparative advantage. First, the project will exploit the previous survey for more information from applying "filters" like the one used in August 2012 to identify the views about relative performance of agencies by people who self-identified as being knowledgeable about the performance of specific UN organizations. This initial effort by Stephen Browne and Thomas G. Weiss, *How Relevant is the Development UN?* (also available at <http://FutureUN.org>). Additional analyses could and should be done identifying more views, including of the global South, and by region and country groups including the fast emerging countries.

<sup>3</sup>See Thomas G. Weiss, Tatiana Carayannis, and Richard Jolly "The 'Third' United Nations," *Global Governance* 15, 1 (2009): 123-42.

It is important to deepen and widen the survey in 2103. It is hoped to design and conduct another survey in the first half of 2013 with the following targets in mind for the survey: those familiar with development cooperation from: the First UN of member states from both the North (using MOPAN) and South (new donors as well as recipients); the Second UN of international civil servants retired or serving through staff associations and the UNDP network; and the Third UN of NGOs, the for-profit sector, and the media.

In addition to concentrating on expert perceptions, the new survey would be far more in-depth in order to tease out such issues as the values behind perceptions, the reasons behind judgments, the evaluations of drivers of change and inertia, and the existence of an identity crisis.

### **Outreach**

As a result of the two global surveys that it has conducted and other expressions of interest in project activities, FUNDS has developed a world-wide data-base of over 2,000 actively interested correspondents who can be contacted by email. This network will be the foundation for a continuing campaign of outreach in order to disseminate the results of FUNDS surveys and research and to mobilize opinion in favor of reform.

It also is anticipated to make better use of electronic outreach to accomplish what was not possible in earlier phases. Such an effort should increase substantially the project's visibility and traction. More especially, draft chapters, monographs and other relevant papers and briefs will be posted for discussion and comments, and e-forums will be held on different aspects of UN reform.

### **Networking Conferences on UNDS Reform**

Three conferences will be held in 2013 and 2014. The first will discuss the survey and the essence of UN multilateralism in late 2013; the second (in spring 2014) will be based on the links between fragile states and post-conflict peace-building, on the one hand, and the UN Development System, on the other hand. The third conference will examine the nuts-and-bolts of UNDS reform and practical ways in which necessary change can be implemented. . It is hoped that the host institution or country will help with costs on the ground and staffing for these sessions.

## 5. Project Direction and Secretariat

The home for the project will be the Ralph Bunche Institute of The City University of New York's Graduate Center. The proximity to the United Nations and state-of-the-art conference and communications facilities will facilitate the work of the project, as well take advantage of the infrastructure developed to manage other UN-related projects including the earlier survey work of FUNDS. The project will also continue to have an on-going presence in Geneva and with the aim to open a liaison office. The Project is staffed as follows:

**Stephen Browne** is Co-Director of the Future of the UN Development System (FUNDS) Project and Senior Fellow at the Ralph Bunche Institute for International Studies at The CUNY Graduate Center. He worked for more than 30 years in different organizations of the UN development system, sharing his time almost equally between agency headquarters and country assignments. He has written books and articles on aid and development throughout his career, his most recent being *The UN Development Programme and System* (2011), *The International Trade Centre* (2011), and *The United Nations Industrial Development Organization* (2012).

**Thomas G. Weiss** (Co-Director FUNDS and Principal Investigator) is presidential professor and Director of the Ralph Bunche Institute at The CUNY Graduate Center. He has written widely about the United Nations in the economic, security and humanitarian arenas; and he has held senior analytical positions within intergovernmental and nongovernmental organizations. A leading authority on UN history and politics, he has just finished directing the decade-long UN Intellectual History Project (whose 17 volumes and oral history archive provide a starting point for this "future-oriented history"). His latest single-authored books are *What's Wrong with the United Nations and How to Fix It* (2012) and *Thinking about Global Governance: People and Ideas Matter* (2011). He also is editor of Routledge's Global Institutions Series.

**Nick Micinski** (Research Associate) is Research and Editorial Associate at the Ralph Bunche Institute for International Studies and a Ph.D. student in Political Science at the CUNY Graduate Center. Previously, he worked in the NGO sector in London for five years on refugee and social enterprise issues. He holds a B.A. from Michigan State University in International Relations and Political Theory with a specialization in Muslim Studies. His research interests include immigration and refugee policy, post-conflict reconciliation, civil society, and human rights.

**Fiona Curtin** (Communications Consultant) has been working for FUNDS since October 2013, helping to coordinate the project's communications and social media. She worked for more than ten years at the UN and in the NGO sector in Geneva before becoming an independent consultant in London, where for the past five years she has been involved with a wide range of organizations and institutes focusing primarily on human rights and sustainable development. Fiona studied Philosophy, Politics and Economics at Oxford University and has an M.A in International Relations from the Graduate Institute of International and Development Studies in Geneva.