<u>Progress Update</u> on the Implementation of General Assembly Resolution 72/279 on *Repositioning of the UN Development System* Information Note for the Executive Board Annual Session 2020



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UNDP is pleased to provide its Executive Board with an update on its full and active support to the repositioning of the UN Development System, supplementing earlier information notes presented to the Board since 2018. UNDP continues to be closely engaged and an active participant in all aspects of the reform process, working in close coordination and collaboration 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).

I. <u>Supporting the new Resident Coordinator system</u>

High-quality Operational Support to RC Offices

1. UNDP continues to provide independent and reinvigorated Resident Coordinator System (RCS) with high-quality operational support. In accordance with the renewed **Memorandum of Understanding (MoU) for Service Provision**, UNDP is administering US \$131.3 million in Special Trust Fund (SPTF) resources in 2020. While the delivery rate has been affected by the current COVID-19 crisis, over US \$23.7 million have already been expensed (as of 7 May) providing human resource, finance, general operations, and administrative services to RC Offices (RCOs) in 130 countries and three DCO regional offices. This includes the management of contracts, payroll, benefits, and entitlements of 777 RCO staff, and support to the implementation of 14 premise renovation projects. UNDP also offers and manages office space and transportation services for RCOs.

2. **The UN RC System Service Portal**, launched in 2019, has helped strengthen client satisfaction through consistent, transparent, and seamless service delivery to RCOs. The portal has over 2,244 active UN RCO and UNDP country office user accounts and has processed more than 19,000 on-line service requests. It embeds RCO workforce and SPTF resource dashboards and incorporates quality assurance tools. Client satisfaction is monitored on a regular basis, with the rating currently standing at an average of 4.23 out of 5 stars.

3. Lessons from UNDP's RCS service provision are also informing efforts to strengthen efficient and client-oriented operational backbone services to the UN Development System. In recognition of the excellent working relationship, UNDP and the UN Secretariat have recently entered into a new agreement to support the 75th anniversary of the United Nations in 2020, with UNDP administering US \$1.358 million for provision of UN75 related services to the RCS.

RC system Funding

4. A well-functioning RCS needs the necessary resources to fulfill its critical coordination mandate. UNDP supports this through its **cost-sharing contribution**, amounting to US \$10,291,362 million in 2020, the highest of any single UNDS entity. UNDP has also taken systematic measures to ensure the effective and timely collection of income from the **1% levy**, which amounted to an additional US \$2.5 million in 2019 in support of RCS funding. With the COVID-19 pandemic response likely to affect current and future resource envelopes, levy income for 2020 and 2021 is currently difficult to project.

5. **Feedback from UNDP country offices**¹ suggests that implementation of the levy has not been without challenges. 50% of country offices indicate that donors at country level lack sufficient information on the levy and that this has in some cases delayed collection. In addition, 54% of country offices report that the levy has been collected from within the grant – rather than added to the grant amount – making fewer resources available for programme activities. Only 8% of country offices believe that the levy has provided an incentive for resources being channeled to pooled funds. We expect some of these challenges to fade as country offices and donors at country level become more familiar with the levy and the process for collecting it. However, it will be important that the principle of additionality is maintained when applying the levy so that programme funding is not negatively impacted and does not translate into a net reduction of development resources.

Support to Resident Coordinator pool

6. **UNDP continues to offer high-caliber talent to the Resident Coordinator (RC) pool.** As of May 2020, 56 senior UNDP staff were seconded by UNDP to the UN Secretariat as RCs. 28 of them are females, and 28 are from the South. In 2019, UNDP put forward an additional 3 candidates for the RC assessment, 2 of which were women, while all 3 were from the South. Overall, UNDP currently has 142 active members in the RC pool, including the 56 staff currently serving as RC. 73 pool members are male, and 69 are female.

Implementation of the Management and Accountability Framework

7. UNDP has taken early and systematic steps to ensure the **successful implementation of the Management and Accountability Framework (MAF),** including through a revision of its policies and organizational arrangements. UNDP has updated the Resident Representative (RR) job description, to align it with the MAF and reflect the full range of responsibilities RRs carry as members of the UN Country Team (UNCT).

8. As part of the RR annual performance review for 2019, UNDP requested all RCs to provide feedback on the specific contribution of the respective UNDP RR towards the achievement of UNCT results. To further strengthen the dual accountability enshrined in the UNDS reform resolution, a mandatory goal on system-wide results was assigned to all RRs for the 2020 performance year. At the end of 2020, all RCs will be requested to provide comments on the RRs' performance on this mandatory goal. This requirement is also reflected in the revised Policy on Individual Performance Management and Development (PMD) which came into effect in March 2020.

¹ In March-April 2020 UNDP conducted a survey with Resident Representatives seeking their feedback on their early experiences implementing various elements of UNDS reform. Despite the onset of the COVID crisis, 87 out of 128 RRs responded to the survey. The survey findings are reflected throughout this document.

9. To gauge progress, UNDP requests **regular feedback from its country offices on the implementation of the MAF** and is currently analyzing data from the recent RR survey to be able to strengthen engagement. Overall, the responses from the RR survey on UNDS reform implementation confirm that the MAF has had a positive initial effect, although many RRs note that a more sustained impact will take more time to become visible.

10. Feedback suggests that the MAF, and the establishment of the independent RC function separate from that of the UNDP RR, have **helped UNDP to better promote its distinct development mandate and engage with UNCT members**. 30% of RRs report improved ability to access pooled funding opportunities. In addition, over 40% of RRs report that the ability of RCs to facilitate interagency work and promote collaboration within the UNCT has increased. 38% of country offices say that the ability of the RC to facilitate dialogue between the UNCT and the government has improved. For their part, 98% of UNDP RRs report that they inform the RC in advance of in-country missions of senior UNDP staff, and 100% of them say they invite the RC to participate in high level delegations or events. It is also encouraging to see that a high percentage of our partners (75%) acknowledge UNDP's efforts to advocate for a common UN position on important development issues, and 63% of them are satisfied with UNDP's efforts to advocate for the establishment of inter-agency pooled funding mechanisms.² Furthermore, 73% of partners are satisfied with UNDP's efforts to support the RC to strategically position the UNDS in the country.

11. At the same time, one in three RRs indicates that they receive less support from the RC in advocating for the UNDP mandate, and several of them note that, in particular, their ability to directly engage with key ministries in UNDP's mandate area (i.e. planning, finance) has been affected. Similarly, one out of every four RRs reports that s/he receives less support from the RC in promoting the "integrator role" of UNDP, including in the Cooperation Framework process. Lastly, when asked about competition for resources between UNCT members, 16% of RRs report an improvement in this regard. These views are partly confirmed by our Partner Survey data. While it is encouraging to see that 74% of programme country governments are satisfied with UNDP's efforts to pursue coordinated resource mobilization, this view is not always shared by UN agency and donor partners, with only 50% of them reporting satisfaction. Coordinated resource mobilization requires an all-UNCT effort and UNDP will take proactive measures to remedy this in its engagement, including by strengthening information sharing with the UNCT on its own resource mobilization activities and advocating for joint resource mobilization strategies, under the overall leadership of the RC.

12. UNDP is carefully reviewing and analyzing the above issues to understand what management action may need to be taken. At the same time, this feedback will also **inform our contribution to the planned revision of the country-level MAF**, as well the design of a **robust regional chapter**, to ensure that mutual accountability is strengthened and the independent RC system serves all UNDS entities in the promotion of their mandates at country level. UNDP is also working closely with DCO to address

² In Jan-Feb of 2020, UNDP commissioned a survey of its partners at country, regional and global level. The survey was administered through third-party, to ensure anonymity and integrity and ran over 5 weeks. 3436 partners, across programme country governments, donors, UN entities, responded to the survey, which represented a 31% response rate. The survey was administered in five languages: English, French, Arabic, Spanish and Russian.

country-specific issues as they emerge and to ensure that RCs and RRs work hand-in-hand in all countries in support of an integrated UN response at country level.

II. Strengthening system-wide analysis, planning and reporting

13. The **United Nations Sustainable Development Cooperation Framework (UNSDCF) Guidance** is starting to transform the way the UN development system works together to help countries implement national development priorities. The principles of the Cooperation Framework, including its emphasis on evidence-based, context-specific responses, are fundamental to our strengthened programming, in particular as we support recovery from the COVID-19 crisis and work with countries on building back stronger to protect the 2030 Agenda.

14. **To this end, UNDP has taken decisive steps to strengthen its programming** to ensure that it effectively underpins and contributes to the UNSDCF. This includes:

- Repositioning the programme appraisal process³ so UNDP can leverage learning across programmes and regions to strengthen its contribution to the design of the Cooperation Framework. The IPAC convenes a multi-disciplinary team drawn from UNDP expertise around the world to support country offices from the beginning of programme design. It offers tailored advice on causal pathways and integration as well as innovative solutions to strengthen the theory of change underpinning the Cooperation Framework and the Country Programme Document;
- Customization of the industry-standard certification Managing Successful Programmes (MSP) to strengthen staff capacities for effective programme management in a reform environment with the Cooperation Framework as the central programme plan; and
- Revising UNDP's Country Programme Document (CPD) template to highlight how UNDP's country programme is anchored in the UN Cooperation Framework, and UNDP's comparative advantage vis-à-vis other agencies contributing to joint outcome level change. UNDP will start using the updated template for CPDs being considered at the 2020 Second Regular Session of the Executive Board. According to the RR survey on UNDS reform, almost all of UNDP RRs report inviting RCs to provide feedback on the alignment of a new CPD with the Cooperation Framework. UNDP will continue to monitor the rollout of CPDs and ensure RC review of alignment becomes a standard practice in 100% of country offices.

15. According to the feedback received from RRs in the recent survey, in 98% of countries UNDP is very engaged or engaged in the development of new Common Country Analyses (CCAs) and Cooperation Frameworks. Similarly, strong engagement is reported when it comes to helping design the Theory of Change for the Cooperation Framework and SDG financing strategies. This is also confirmed by UNDP's Partner Survey, where 79% of programme country governments express satisfaction with UNDP's contribution to analysis and evidence collection underpinning the UN's work, including for the UN's Cooperation Framework.

³ Programme appraisal used to be called the Headquarters Programme Appraisal Committee (HQ PAC), which appraised the editorial quality of a completed CPD. The new function, the Integrated Programme Assessment Committee (IPAC) reviews the analysis underpinning the selection of priorities for a Cooperation Framework/CPD.

16. Given the COVID-19 context, UNDP is working closely -- as part of joint-up UNCTs -- with governments to address the impact and implications of the pandemic through programming adjusted to the emergency situation. The **UN Framework on the Immediate Socio-Economic Response to COVID-19**, under the overall leadership of the RC and with support of UNDP as the technical lead, is guiding the emergency support to countries in five priority areas, premised on the commitment to leverage the programmatic assets of the UNCT for an agile and effective response. Looking ahead, as new Cooperation Frameworks for the 2021 programme cycle are being prepared, UNDP will be investing in a joined up UN development system approach to ensure that its support through its CPDs forms part of a coherent UN development system response to the COVID-19 crisis and its aftermath.

III. Strengthening joint implementation/support to the SDGs

SDG Integration

17. The COVID-19 pandemic has underscored the need for integrated approaches to development, laying bare the centrality of the 2030 Agenda and the interconnected nature of the SDGs. UNDP's role as an integrator plays a central part in how UNDP supports countries to strengthen their resilience and to prepare, respond and recover, while supporting RCs and UNCT's in delivering an integrated cross-sectoral UN response to address the immediate socio-economic impacts of the crisis.

18. To deliver on the "integrator" mandate, UNDP has reconfigured its policy capacity into a worldwide **Global Policy Network** which, in combination with the surge provided by the **Accelerator Labs**, scales up our capacity to mobilize multi-disciplinary expertise to help UNCTs and governments design and implement innovative integrated policy solutions to respond to complex development challenges. Through its four dedicated streams of work, UNDP has supported 100+ countries to integrate the SDGs into national planning, 100+ countries to enhance their Nationally Determined Contributions (NDCs) and advised more than 70 countries on establishing integrated national financing frameworks. Data from our Partner Survey confirms that 71% of partners are satisfied with UNDP's ability to provide integrated development solutions in collaboration with other stakeholders (versus 12% who are not satisfied).

19. Integrated approaches focus not on individual SDGs but the gaps between them – and these initiatives are rapidly transforming how we respond to the COVID-19 crisis. In *Paraguay* for example, UNDP is partnering with the National SDG Commission and other UN entities, in a new Public-Private Partnership that is facilitating integrated responses to the country's health and social-economic crises. Paraguay is also the first in the region to adopt SDG Bonds, which will support COVID-19 recovery by financing projects that stimulate the economy and contribute to protecting both social and environmental gains.

Integrated Analytics

20. **With partners, UNDP is scaling up data-informed, evidence-driven and integrated tools** to help policy makers target investments in areas with the greatest potential to accelerate the achievement of SDGs. For instance, with UNDESA and the Royal Institute of Technology in Sweden (KTH), the Climate, Land-Use, Energy and Water Systems (CLEWS) integrated modelling framework was applied in 8 countries, to help identify intersectoral linkages and trade-offs across these three

domains. We also collaborated with UNDESA to convene nine training workshops in seven countries in 2019, working with 100 government officials on policy scenario design and analysis.

21. Integrated analytics are critical to UNDP's COVID-19 Response. In *Nepal*, for example, UNDP is partnering with the incubator CellApp Innovations and its 'SmartPalika' (Smart Municipality) application to support local governments to undertake live-tracking management, report quarantine data to the public, disseminate COVID updates, and allow users to self-assess and report on their health status.

Mainstreaming, Acceleration and Policy Support (MAPS)

22. UNDP continues to play a **leadership role in the MAPS common approach** with 14 engagements in 2019 and working across UN agencies to align the approach to the Common Country Analysis (CCA) and the UN Cooperation Framework. An inter-agency MAPS team was established with staff from UNDP and UNICEF to take forward the next generation of MAPS engagements. Nine countries requested MAPS support in 2020, with planning underway to deliver support digitally. MAPS coordination is anchored in the SDG Task Team on Integrated Policy, co-led by UNDP, UNICEF and ILO, with strong commitment from agencies to continue to deliver support as a vital contribution during the COVID-19 crisis.

MAPS training and SDG acceleration toolkit

23. **The SDG Primer**, which UNDP developed in collaboration with DCO, UNSSC, UNITAR and SDSN, is now available to all UN system staff. Building on the Primer, UNDP and UNICEF are launching a companion technical training package on integrated approaches to the SDGs and MAPS engagements. The MAPS online course will equip UN staff and country partners with practical approaches, tools, and methods to support and participate in MAPS engagements more consistently and strengthen integrated policy tools and mechanism across the UNDS.

24. As a contribution to the UNSDG Task Team on Integrated Policy Support, UNDP and UNICEF are also updating the UNSDG SDG acceleration toolkit, an online compendium of integrated diagnostics, models, methodologies, and guidance for harnessing synergies among the SDGs. The review will synchronize the toolkit content with the MAPS course and the UNSDG Operational Guide on Leaving No One Behind.

Joint SDG Fund and Covid-19 Response and Recovery Fund

25. UNDP is strongly engaged in the **Joint SDG Fund**'s calls for proposals and has recently provided advice and technical support for the development of 89 multi-agency proposals for the Joint SDG Fund to support Integrated National Financing Frameworks – 77 of which UNDP led in collaboration with other agencies. UNDP has also worked with UN RCs and the European Union to launch support for 16 INFF Pioneer Countries.

26. UNDP is also actively supporting the Secretary-General's **Covid-19 Response and Recovery Fund**, including as a member of its Advisory Committee. An internal cross-Bureau support team has been established to provide technical support to country offices for proposal development, including identifying strategic synergies with other UN agencies.

IV. Contributions to the Regional and Multi Country Office Reviews

Regional Review

27. As a member of the **Internal Review Team (IRT) on the Regional Review**, UNDP helped elaborate the concept of Regional Collaborative Platforms (RCP) proposed by the Secretary-General. In the regions, UNDP and the respective Regional Economic Commissions co-chaired each of the five task teams set up to detail how the system will operationalize the Secretary-General's recommendations 2-5 and have taken important steps towards implementation.

28. For example, In the **Arab States Region**, UNDP, UN Women, UNFPA, and ESCWA, conducted a major regional study on Gender Justice and Equality Before the Law, focusing on the laws and law enforcement practices that matter most for women and girls. This report marks the culmination of an ambitious four-year project that commenced in 2016, engaging governments, civil society, regional entities and UN agencies in 19 Arab countries. UNDP is also working with UN partners to develop a knowledge and data management hub which uses intelligent software to provide tailored reports for users like RCs, UNCTs, and public officials. The hub, which will be completed in mid-2021, will also serve as a regional e-learning platform on development issues

29. **In Europe and CIS**, the task team co-chaired by UNDP and UNECE has been working on the first results-based regional report of the UN system. It will focus on the outcomes of regional joint initiatives and will be anchored around the results of the Issue Based Coalitions (IBCs,) the regional, sub-regional and transboundary aspects of UNSDCFs, and collaboration on regional intergovernmental processes. UNDP chairs two of the seven IBCs in the region, on Social Protection and Large Movements of People, Displacement and Resilience, both of which (along with all others) have been re-oriented to provide support to UNCTs in responding to the COVID-19 crisis.

30. In Africa, the Secretary-General's recommendations were contextualized, through the Africa Inception Report, into seven Opportunity and Issue Based Coalitions (O/IBCs). UNDP co-convenes three of these, on climate change; peace, security, and human rights; and on macro-economic policies for structural transformation. A <u>knowledge management hub for COVID-19</u> in the region was developed to support African governments and policymakers with an accessible and interactive repository of interventions, engagements and resources of all UN entities, supporting a clear demonstration of delivering as one at the regional level.

31. In **Asia and the Pacific**, in line with the new ways of working, the Regional Directors of the UN development system met in early April to share information and coordinate inter-agency socio-economic analyses and responses to the COVID-19 pandemic. UNDP co-chairs (with UNDRR) the IBC on Building Resilience, which provides a platform for regional UN entities to work together to support countries to reduce climate and disaster risks, including strengthening resilience and recovery efforts as a result of the impact of COVID-19. The Business Operations Strategy (BOS 2.0) process for Bangkok-based entities has also commenced with a preliminary stocktaking exercise. Some common back office services with the greatest efficiency pay-offs are expected to come on stream by the end of the year.

32. In **Latin America and the Caribbean**, UNDP is actively engaged in the roll-out the IBCs, including the process of re-prioritization in the context of the COVID-19 pandemic. UNDP co-Chairs two IBCs - on Equitable Growth and on Governance and Institutions - and will also lead the design of the IBCs' rosters of expertise. UNDP co-led, with ECLAC, the development of the SDG Gateway, an inter-agency knowledge management portal, which provides countries with information on progress in implementing the 2030 Agenda and the integrated programmatic and statistical work of the regional UNDS. UNDP also acts as the chair of the Regional Operations Management Team, which is tasked with rolling-out the Business Operations Strategy 2.0, and co-leads a Partnership and Communications Working Group, which is currently supporting COVID-19 related advocacy efforts.

MCO Review

33. UNDP has strongly backed the spirit and intention of the **MCO review process**. We co-chaired, along with UNEP, the UNSDG Inter-Agency Working Group (IAWG) on the MCO review and have already taken concrete steps to strengthen the organization's support to countries and territories serviced by MCOs, which are predominately SIDS.

34. The IAWG looked at concrete ways to enhance UNDS capacities for tailored, technical and policy support, and a more coherent, effective and efficient coverage and substantive collaboration for results in MCO-covered countries and territories, with its proposed actions forming the basis of the Secretary-General's recommendations to Member States in his report A/75/x-E/2020/7 on implementation of the quadrennial comprehensive policy review of operational activities for development of the United Nations system (QCPR).

35. UNDP's active engagement and commitments made in the MCO review process reflects the organization's **pledge to provide strong and coherent support to SIDS' development priorities**. UNDP's current support to SIDS is wide-ranging, with an estimated annual value of US\$300m, and is delivered through a strong presence across all SIDS in the Pacific, the Caribbean and Atlantic-Indian Oceans and South China Sea (AIS), through a network of 10 Country Offices and eight Multi-Country Offices (MCOs) servicing SIDS.

36. **UNDP has committed to enhance its SIDS support even further**, focusing on Climate Action, the Blue Economy and Digital Transformation, with access to financing harnessed as a key enabler across these three key areas. In response to the unique needs of SIDS in the context of COVID-19, UNDP has also developed a specific SIDS COVID-19 response, with emphasis on long term recovery efforts with climate action at the center of need and opportunity.

V. Funding Compact

37. The adoption of the Funding Compact in 2019 marked a significant step forward in improving funding practices. The commitments made under the Compact become especially pertinent in the context of the COVID-19 crisis, demonstrating the need for a coordinated international response and recovery platform. For an effective multilateral response, organizations are best equipped when they are afforded adequate resources with enough degrees of independence and flexibility.

38. **Core funding** has proven a crucial factor in the COVID-19 response. Flexible and unearmarked, it helps organizations invest rapidly and flexibility in framing their response, reach people in need faster, empower local actors, deploy essential supplies to the frontline, and protect the most vulnerable populations. Thanks to the flexibility core funding offers, in *Niger*, for example, UNDP was able to re-prioritize US\$2.5m of core resources and mobilize an additional US\$2.5m for digital e-governance solutions, community engagement and post-COVID recovery in support of the national COVID-19 pandemic plan.

39. However, despite the Funding Compact's commitment to rebalancing core and non-core funding, the UN development system continues to depend **predominantly on earmarked contributions,** targeting specific projects or initiatives. In 2019, core contributions accounted for only 13% of total funding to UNDP, and the number of core contributors remained stagnant at 52 Member States with the top ten partners providing 86% of total core contributions. In line with the Funding Compact commitment, UNDP continues to make the case for core funding by enhancing visibility for core contributors, showcasing impact as a result of core funding and advocating for broadening the core donor base. In part as a positive result of the Funding Compact, multi-year commitments to UNDP did increase to 58% in 2019, thereby enhancing much-needed predictability and stability of funding.

40. The **share of flexible funding** provided through development related inter-agency pooled funds and single agency thematic funds has also increased for UNDP. About 10.8% of non-core resources to UNDP were channeled through inter-agency pooled funds in 2019, up from 8% in 2018. Yet more remains to be done. In the recent RR survey, UNDP country offices flagged an interest in more training opportunities on inter-agency pooled funding mechanisms, and greater participation in their design phase. Country offices also noted insufficient technical expertise or knowledge of available pooled funding opportunities and mentioned coordination challenges with other entities. UNDP is currently looking at how to further improve engagement with inter-agency pooled funds, including increasing dedicated corporate support in this area.

41. Following the revamping of UNDP's **thematic funding windows**, partner countries increased their contributions by 54% from \$67m in 2018 to US \$103m in 2019. However, given that this accounts still only for 2.4% of total non-core resources, UNDP plans to continuously engage with partners to increase thematic funding to reach the Funding Compact target of 6% by 2023.

42. UNDP continues to have a **strong track record in transparency** and has taken further measures to increase visibility of results from contributors of voluntary core resources, pooled and thematic funds, and programme country contributions. In 2019, UNDP's Funding Compendium recognized Member States contributing to inter-agency pooled funds, while individual donor brochures also provided visibility to pooled funding partners. Similarly, the thematic funding annual report as well as the online portal specifically recognize and list all donors and recipients.

43. UNDP also recently launched a new Executive Dashboard called **UNDP at a Glance**. It provides up-to-date infographics sourced from ATLAS on financial, human resource and procurement information. It also offers tracking data for audit recommendations. The Executive Dashboard is an important step towards further strengthening availability of critical information for the effective management of UNDP's programme portfolio and improving the organization's overall transparency.

44. In 2019, UNDP held three **Structured Funding Dialogues** with Member States on funding of results in the Strategic Plan and submitted a report on results against expenditures. Together with UNFPA, UNICEF and UN Women, UNDP also organized a joint funding dialogue, where options for future structured funding dialogues and associated reports received important feedback from the Executive Board. Over the past year, the four entities also worked closely together to harmonize their reporting strategies and planning joint analysis, dialogues, and advocacy.

VI. Efficient Business Operations

45. To ensure the best use of valuable resources entrusted to us, UNDP continues **to strengthen the efficiency and effectiveness of its operations,** both through the UNSDG Business Innovations Strategic Results Group (BIG) and through a set of internal efficiency measures that have been planned and rolled out independently from the development system reforms and aim at consolidating UNDP's business practices into a robust, viable and efficient model.

46. On the system-wide side, two UNDP staff members are assigned to work as members of the BIG reference group, which provided extensive contributions to the key work streams emanating from the BIG. UNDP staff also continue to engage in the various BIG working groups.

47. UNDP developed and assumed all costs for the development and maintenance of a dedicated **Business Operations Strategy** (BOS) digital platform (including US \$367,000 to develop the platform and US \$454,500 to maintain and support it for 2020). The platform has reduced the time that a Country Office spends on BOS development from an average of 6 months to 8 weeks and provides significantly more rigorous assessment of costs and benefits of the various service agreements. UNDP has engaged in the development of 106 out of 131 Country Office BOS and 41 UNDP staff have participated in the 'training of trainers' for BOS rollout.

48. UNDP is also working closely with BIG to advance work on the **common back office** and to strengthen the organization's offer of **location independent services at the global level** through a significant organizational-wide effort on shared services. As studies show, the biggest potential for savings stem from 'vertical integration', i.e. through centralization of specific functions and associated specialization.

49. At country level, UNDP continues to be a **major provider of common services** to UNCT members. Survey data from the recent RR survey shows that UNDP provides common services in administration, ICT, human resources, procurement, and finance in over 90% of UNCTs and common logistics services in 83% of countries.

50. As a critical element of helping to drive both organizational and system wide efficiencies, UNDP is pursuing a range of innovations, with a view to bringing them to scale quickly. UNDP's new **Travel and Expense module**, for example, is helping UNDP, and partnering UN agencies, to process travel requests and expenses in more efficient ways; in 2019 the new module provided for 44% efficiency gains when compared to the old manual system, equaling approximately 84,000 workhours saved. In 2019 US \$4M was saved by UNDP, and our partner agencies, due to UN negotiated airline discounts and travel related cost savings measures. As part of the travel management due diligence,

the annual third-party audit showed that in 99.9% of cases tickets purchased by UNDP followed the most economical fares.

51. An additional important element of making UNDP's operations more effective and efficient, in line with the Secretary-General's recommendations, is the organization's **digital transformation strategy**. To guide corporate decisions on investments in this area, UNDP set-up a Digital Governance Group, introduced a new development and scaling process for digital initiatives and launched five corporate initiatives to develop proofs of concept for global level digital solutions. We are also investing in training our workforce in digital literacy, with around 1700 staff benefitting from targeted learning programmes, including digital 'Masterclasses', to date, working in partnership with Unilever and INSEAD.

52. Several **'Digital Lighthouse Initiatives'** are serving as role models to inspire and inform on the potential power of digital technologies. Examples include a "Platform as a Service" that provides a convenient access point for high quality and readily available corporate data to assist decision-making and accelerate innovation processes, also "GPN/ExpRes Deployment Mechanism" that consolidates various rosters under one platform to ensure consistency, quality and efficiency for expert deployment, especially in crisis context.

53. Building on the experience from these initiatives, a new process of continuous digital innovation has been implemented to gather knowledge and experience from across UNDP and to scale existing innovations in both operational and programmatic areas. An initial set of **'Digital Sprints'** comprised of six projects has already been launched. They include "the Customer-Centric Service Platform", a one-stop-shop to provide staff with outstanding service around internal operational processes such as HR and IT, making back office tasks more efficient and user-friendly.

VII. Internal communication on reforms

54. High priority continues to be placed on **clear and regular communications to staff on the implementation of UNDS reform**, including through webinars, a dedicated intranet site and a helpdesk. A regular reform digest is shared with all UNDP RRs, making sure that they are up to date on the latest developments so that they can continue to play their critical role in supporting reforms at country level. A senior-level cross-bureaux 'Anchor Group' on UNDS reform ensures that UNDP's strategy and engagement on reforms is coordinated and consistently implemented across the organization, while monitoring potential risks that need rapid response or more structured solutions.

55. At the same time, more can be done. Feedback from country offices in the recent RR survey suggests that reform-related communications can be further strengthened in key areas. In addition to regular emails, webinars and the helpdesk, country offices would like reform-related issues to feature more extensively during regional and global meetings, as well as in the form of consolidated corporate messaging for use with external partners. Based on this feedback, we are exploring additional ways to further strengthen and tailor our communication to ensure that country offices have the right information they need.

VIIII. Conclusion

56. UNDP's commitment to UNDS reforms continues to be strong and unreserved. As key changes are being rolled out and taking root at the country level, we are starting to gain a better understanding of what is working well but also where challenges lie. This is helping us recalibrate and improve our support to country offices to ensure that the full potential of the reform is realized. This is especially important now, as the global COVID-19 pandemic requires more than ever that the UN family works closely together with its partners for an effective, credible, and coherent UN response.