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Operational activities of the United Nations
for international development cooperation

**CONSOLIDATED LIST OF ISSUES RELATED TO THE COORDINATION OF
OPERATIONAL ACTIVITIES FOR DEVELOPMENT, 2005-2007**

UNDG Executive Committee

**UNDG steps to implement the Triennial comprehensive policy review (TCPR) of operational
activities for development of the UN system (RES/59/250)**

Introduction

The present conference room paper is prepared in compliance with paragraph four of Economic and Social Council resolution 1998/27 of 28 July 1998, in which the Council invited the Secretary-General to arrange for the submission of a consolidated list of issues that are central to improved coordination of operational activities. Paragraph four requested that the list of issues be submitted to the Council at its annual substantive session by the executive heads of the United Nations funds and programmes, in consultation with the United Nations Development Group (UNDG).

Upon the request of the General Assembly triennial policy review resolution 59/250 (paragraph 37), the Executive Committee of UNDG¹, in consultation with all members, submitted to the Economic and Social Council at its substantive session in 2005 a programme of work for the full implementation of actions referred to in paragraph 36. This programme of work is to be completed before the end of 2007, including benchmarks, responsibilities, and provisions to phase out redundant rules and procedures, as well as a timetable to monitor the progress made towards meeting these targets.

¹ The UNDG Executive Committee consists of UNDP, UNFPA, UNICEF and WFP

The conference room paper focuses on the progress of UNDG in implementing the programme of work in 2005, 2006 and first quarter of 2007, and is limited to reporting on aspects of the TCPR that require a joint UNDG response. The majority of the actions called for by the TCPR require each agency, fund or programme to take action independently. These actions are not covered in this report as they are dealt with by the overall TCPR Report issued by DESA (“2007: Annual progress in the implementation of GA resolution 59/250”). The key actions raised in the TCPR that call for UNDG action are outlined below, following the relevant TCPR chapter headings. For each area the report gives the TCPR rationale, a progress update of what has been achieved since the TCPR was issued, and a section highlighting the main challenges pertaining to the area:

- I. Capacity building;
- II. Transaction costs and efficiency;
- III. Coherence, effectiveness and relevance of operational activities for development;
- IV. Regional dimensions;
- V. Gender; and
- VI. Transition from relief to development.

I. Capacity building

a. TCPR rationale

Capacity building has a central role in the TCPR which recognizes that capacity development and ownership of national development strategies are essential for the achievement of the MDG's. The TCPR calls upon the UN organizations to provide further support to, and strengthen the capacity of, developing countries, and also to adopt measures that ensure sustainability in capacity-building activities. The TCPR also stresses that developing countries should have access to new and emerging technologies, including information and communication technologies.

b. Progress

Support for capacity development is one of the main areas where the UN aims to have a comparative advantage at country level. While action is required by each individual UN entity, an agreed UNDG approach can be helpful to support capacity development in a coherent way, and to formulate programmes better in terms of capacity development. In response to the TCPR, a renewed focus has been placed on the importance of UN's role in developing the capacity of national partners to manage the development process. One key result of that rethinking was the adoption of a *UNDG Position*

*Statement on Capacity Development*². The Position Statement provides background and concrete suggestions for how to develop interventions in terms of capacity development. With a view to implement coherent UNCT support to capacity development in the coming years, an overview of existing capacity development tools among UNDG agencies has been prepared, and a generic capacity assessment tool for UNCTs is under development³.

The CCA/UNDAF guidelines (see chapter III) have been revised to make sure that this new thinking guides the work of UNCTs at country level. The guidelines now highlight capacity development as one of the basic principles of the UN programming at country level and require country teams to develop new ways of assessing and achieving capacity development results as a team in different contexts, thus clearly making a more sustained difference than has been the case in the past. The new guidelines also provide more detailed information on mainstreaming capacity development into the analytical work and the UNDAF and its results matrix. The analytical work should also include an analysis of a country's financial aptitude, as regards transparency, accountability, financial management issues, (the Harmonized Approach to Cash Transfer, HACT). This is part of the UNDG response to the Paris Declaration, and the observation that UN agencies do not often use national systems (financial, procurement etc), because of observed capacity gaps. With the new guidelines, the agencies should work with the national partners to identify such gaps and design programs to address them, so that the UN can use the national systems as soon as possible.

National capacity building in Thailand using DevInfo

In Thailand, the UNCT and DevInfo are playing a crucial role in developing national capacity to monitor progress of MDGs and the national development plans both national and provincial levels. A customized version of DevInfo, Thailand Provincial Development Information - TPDInfo, has been implemented by Thailand's National Statistics Office (NSO) since 2004. It is now operating in all 75 of the country's provinces. Since inconsistent data quality and data non-availability are still major issues, the role of TPDInfo in a harmonized framework for monitoring national strategic development plans is absolutely crucial.

Entering data into the TPDInfo template provides the opportunity for provincial NSO branches to then review data availability and data quality systematically both at national and sub-national levels and highlight gaps. With about 500 indicators in its database, TPDInfo is a powerful tool for presentation of data to show disparities especially at provincial levels. In addition, TPDInfo has further added value for NSO staff; the software has for example been customized to store data from the national census as well as other surveys. Data from the provincial statistical yearbook, surveys and census will also be stored in TPDInfo.

TPDInfo implementation is not only a software but it also provide significant opportunities for building capacity of NSO staff at all levels to enhance their knowledge on indicator development, data analysis/ reporting and data presentation. Trainings in these topics have been conducted in parallel with the training on using the DevInfo software, allowing NSO staff to provide technical support to government agencies and key decision makers at sub-national levels.

² <http://www.undg.org/index.cfm?P=225>

³ <http://www.undg.org/index.cfm?P=225>

On another track, work has been ongoing in 2006 to develop a methodology for assessing the UN's own capacities at country level. If we are to help national institutions develop their capacities, the profile of our own staff will need to change. This methodology is now being tested in a number of pilot countries.

Today more than 100 country specific adaptations exist of DevInfo technology for dissemination of statistics to a wide audience of users. A total of 98 countries are using DevInfo as a platform to deploy a national socio-economic data base. Since 2005, the UNDG has provided training to more than 5,000 national counterparts and staff from UN country teams in the use of DevInfo, a software for the tracking of the MDGs, thus building statistical capacity for MDG monitoring. In 2006, a new web-enabled version of DevInfo was launched, together with an adaptation for emergency preparedness and assessments called EmergencyInfo. Important developments has also resulted from enhanced inter-agency collaboration, for example the technical links developed with similar systems used by UNAIDS and OCHA, which have lead to increased efficiency and facilitate inter-agency cooperation at all levels.

c. Remaining challenges

Not only the TCPR, but also the Paris Declaration and the 2005 World Summit have called for the UN system to enhance its efforts at country level to support national capacity development. Member States clearly view capacity development as a comparative advantage of the UN development system but if the UN at country level is to deliver on the expectations, a major shift is required in UN staff profiles, and the way the UN does business.

II. Transaction costs and efficiency

a. TCPR rationale

The TCPR requests the funds, programmes and specialized agencies of the United Nations system to continue to implement the simplification and harmonization agenda by taking further steps to enhance and ensure the sustainability of that process. Ways to further simplify the rules and procedures should be examined and concrete steps to accord the issue of simplification and harmonization high priority should be taken in the following areas:

- **rationalization of country presence** through common premises and co-location of members of United Nations country teams;
- implementation of the **joint office model**;

- **common shared support services**, including security, information technology, telecommunications, travel, banking and administrative and financial procedures, including for procurement;
- harmonization of the principles of **cost recovery policies**, including that of full cost recovery.

The TCPR further requests the UNDG to consult regularly with the UN Chief Executives Board (CEB) on all of the above mentioned activities.

b. Progress

Rationalization of country presence

The Common Premises initiative entails the co-location of a number of resident agencies in one set of premises, preferably in a UN House, containing as a minimum all resident UNDG ExCom agencies. Currently there are 60 UN Houses in the world.

Many of the current Common Premises projects, however, focus on achieving better value for money while at the same time achieving modern office premises which can be used as an active inter-agency management tool for supporting effective programme delivery. In many cases this involves construction of new premises under BFOT (build-finance-operate-transfer) modalities. The UNDG Working Group on Common Premises is in the process of finalizing a set of revised guidance tools assisting UNCTs in planning and implementing UN Houses actively supporting flexibility in use.

Implementation of the Joint Office model

In January 2006 the first ever Joint Office was launched in Cape Verde. The UNDG ExCom agencies established a fully integrated office in Cape Verde whereby one team is supporting the implementation of a common programme, based on one set of business practices and systems and with an empowered leader who is the RC for all UN entities working in Cap Verde, and representative for all four participating agencies.

A review of the experiences of the establishment of the Joint Office in Cape Verde was commissioned to draw lessons learned. While the experience of Cape Verde may be primarily relevant to small UN operations, the review concluded that the establishment of the first UN Joint Office has been a unique breakthrough in the history of the United Nations country operations. Both the Government of Cape Verde and the donors found the Cape Verde Joint Office model to be a positive and favourable development providing a unified presence and allowing for more coherent and integrated programme delivery. As can be expected from a first pilot, the process by which the Cape Verde Joint Office was set up experienced some difficulties. The process could have been better prepared and managed,

including a more logical sequential order of major decisions and events, which would have made it a less stressful experience, particularly for the national staff.

In response to the findings, the review concluded that it is important to note that the Cape Verde Joint Office model is specific to that country. It is clear that future models will have to be adapted to the particular country situation and the model and approach modified for larger and/or more complex UN programmes.

Main findings and recommendations from the Cape Verde review and subsequent Regional Directors Team discussions

1. An important accomplishment has been the preparation and adoption of the common country programme (CCP) and the translation of the CCP into a Common Programme Action Plan and Annual Work Plans. It was also noted that overlap and competition have been addressed and collaboration has been fostered between agencies.
2. The Government and donors in Cape Verde were unanimously positive about the advantages of having one Representative. There has been a clear gain in terms of opportunity cost in time and money.
3. Significant cost reduction in administrative and procedural burden on the organization and their national partners have been achieved. The disbursement rate of the common country programme for 2006 was over 90 % of programme funds received by the office.
4. Continuity of leadership and Government commitment are extremely important during the negotiation and preparatory phases of a joint office to ensure prompt decisions in effective and timely manner.
5. Country level changes in business processes need to be mirrored with regional and headquarters level changes so as to attain greater coherence and synergies.
6. Agencies need a clearly identified "agency focal point" who can support the RC in advocacy on agency specific issues, and ensure agency visibility.

As part of the efforts to implement the TCPR during 2006, the UNDG ExCom agencies identified about 25 countries, from which up to 20 joint offices should be selected in joint government-UN agreement. While the discussion on the selection of the future joint offices was underway, the report of the High Level Panel on System-wide Coherence⁴ was released and recommended testing the "One UN" approach. In response, the governments of eight countries where conversations were already underway for potential joint offices – Viet Nam, Mozambique, Rwanda, Tanzania, Uruguay, Albania, Pakistan and Cape Verde, – volunteered to become the "One UN/Delivering as One" pilots. These pilots are considered as a special "subset" of the target of 20 joint offices underway by end of 2007.

Common shared support services

2006 was the last year of the UNDG led Common Services Programme and by the end of the year, the Programme had provided training to staff in approximately 70 countries. In 2006, a major review of the Programme took place which concluded that the Common Services Programme had provided very useful and relevant tools to UNCTs and had been instrumental in fostering a willingness and

⁴ <http://daccessdds.un.org/doc/UNDOC/GEN/N06/621/41/PDF/N0662141.pdf?OpenElement>

motivation at country level for using common services as an instrument for achieving financial savings and better services. The review, however also concluded that the types of common services implemented in most countries were primarily of a more peripheral nature, (e.g. common contracting for travel and banking services, and shared local procurement for bulk items). The review concluded that progress on the harmonization of “core” business practices at headquarters level is required before further progress could take place at country level.

As a result of the review, the UNDG Management Group decided to make certain substantial changes to the common services support to country offices. In 2007, UNDG will focus on two activities – firstly, working closely with the High Level Committee on Management (HLCM) to pursue the harmonization of core business practices used at country level (finance, HR etc) and secondly, supporting the Joint Office/Delivering as One pilot countries in establishing common, shared or integrated core business functions within existing agency rules, regulations and procedures. As the pilot experiences increase, the proven good practices will be shared on a wider basis.

Harmonized Approach to Cash Transfers

A new harmonized approach to cash transfers (HACT), consistent with the Paris Declaration, was launched in April 2005 with implementing partners at country level. The programme reinforces the need for UN to support institutional capacity building with its national partners. It also simplifies some of the procedures related to the management of cash transfers to implementing partners, as well as introduces a new system on managing risks related to transferring cash. With the preliminary work has been completed or underway in many countries, the full implementation of HACT was commenced by a number of country teams in January 2007 and the initial assessment of the impact of this new approach on the effectiveness of field operations of the UN will take place in 2007.

Harmonization of the principles of cost recovery

In 2006, the CEB and its HLCM agreed on harmonized cost recovery definitions and principles. Taking a further step, the UNDG ExCom Agencies agreed to a harmonized rate of 7% in 2006 to facilitate the development and implementation of joint programmes, joint offices and multi-donor trust funds. Efforts will now focus on agreements with the wider UNDG membership.

c. Remaining challenges

Despite the important strides highlighted above, many operational challenges, derived from the different rules and procedures used by the agencies, still face the UN staff who are trying to work more closely together at country level. Harmonization of these basic operating procedures in a “common field manual” would be a very important step forward.

Another challenge is ensuring a rational division of labour between the agendas of the various inter-agency mechanisms, including the UNDG Management Group under the auspices of which all the above results have been achieved, and the HLCM of the CEB. In 2006, the Chairs of the HLCM and the UNDG Management Group met to harmonize their agendas and discuss various issues of common interest. There is now broad agreement that while the HLCM should focus on system-wide issues, the UNDG Management Group would focus more on operational and country level issues. Cooperation and coordination with the HLCM has become a standing agenda item of the Management Group meetings.

III. Coherence, effectiveness and relevance of operational activities for development

Common Country Assessment and United Nations Development Assistance Framework (CCA and UNDAF)

a. TCPR rationale

The TCPR requests the UN system to conduct the **CCA** and the **UNDAF** processes as efforts to improve the support for national development priorities and policies, and stresses that full governmental ownership, participation and leadership is required at all stages of the processes. The importance of the CCA as the common analytical tool of the whole UN system at country level is further stressed, and the TCPR requests the UNDAF and its results matrix to, where applicable, be developed as the common programming tool for country-level contributions of the funds and programmes towards achieving the MDGs. The UN development system is further urged to fully utilize opportunities for joint initiatives, including joint programming, in the interest of enhancing aid efficiency and aid effectiveness.

The TCPR requests the UNDG agencies to carry out their operational activities in the pursuit of the MDGs and take further steps to **harmonize their programming cycles** and to align them as much as possible with the national programming instruments, in particular the national poverty reduction strategies.

The role of the **non resident agencies** is highlighted in the TCPR, as they should contribute their accumulated analytical and normative experience so as to enable the use of all capacities available within the United Nations system.

Further, the TCPR invites the UN system and the **Bretton Woods Institutions** to explore further ways to enhance cooperation, collaboration and coordination. In this regard the TCPR emphasizes the

importance of ensuring, under the leadership of national authorities, greater consistency between the strategic frameworks developed by the United Nations funds and programmes, agencies and the Bretton Woods institutions.

b. Progress

CCA and UNDAF processes

To consolidate the progress made and to tackle outstanding issues, the UNDG in 2006 mainstreamed key aid effectiveness principles in the revised CCA/UNDAF guidelines, thereby making them the default way of working. The key changes in the revised guidelines are a greater emphasis on national ownership, and the identification of the added value that a coherent UNCT response (including the non resident agencies' assets) can bring to national development. The guidelines offer UNCTs greater flexibility to tailor the analysis to country needs and to strengthen national systems. They represent a more inclusive approach to ensure the full engagement of specialized and non resident agencies as well as relevant national partners. Furthermore, they provide more guidance and resources on cross-cutting principles such as the human rights based approach, gender equality, environmental sustainability and capacity development as well as results based management.

Aid effectiveness and alignment with national processes

As a response to the TCPR and following the adoption of the Paris Declaration on Aid Effectiveness in 2005, the UNDG has made a conscious effort to live up to the commitments expressed in the declaration. As one of the key principles of aid effectiveness is alignment with national processes, the UNDG programming tools and instruments have been developed and adapted with the aim to allow the UNCTs to fully integrate these tools and processes into national processes.

UNDG has continued to promote the aid effectiveness agenda as reflected in the *UNDG Action Plan on Implementing the Paris Declaration*.⁵ The first round of *the Paris Declaration monitoring survey*⁶ provided an opportunity for UNCTs to further engage on aid effectiveness issues. The survey concluded that UNCTs have made considerable progress on alignment with national priorities and increasing national ownership. In the last two years, 31 out of 70 countries, preparing CCAs and UNDAFs specifically adjusted their programme cycles to ensure that the UN processes were appropriately linked to national development processes.

⁵ http://www.undg.org/archive_docs/6189-UNDG_Action_Plan_-_Implementing_the_Paris_Declaration.pdf

⁶ http://www.oecd.org/document/20/0,2340,en_2649_3236398_38521876_1_1_1_1,00.html

Mozambique's alignment of UNDAF and PRSP processes

The UNCT in Mozambique found that significant changes in the aid environment necessitated an assessment and re-evaluation of its approach. The repositioning resulted in a Concept Paper identifying the role of the UN in Mozambique. This new UN position was clearly demonstrated by full alignment of the UNDAF priorities with the PRSP priorities. The UNCT also successfully engaged in the PRSP development process to ensure that key UN concerns and national targets towards the attainment of the MDGs were reflected in the document.

The main strength of the new UNDAF lies in the formulation of joint outputs, which paves the way for joint programming in the next cycle. The process was also helpful in bringing the programmatic focus on the UN agencies closer together.

By engaging the national PRS process, the UN was able to redefine its role and make it more relevant and effective while at the same time reducing transaction costs. Forced by an evolving development environment, the UN took on a pro-active and innovative approach and demonstrated its willingness to change and adapt to a new situation. This was appreciated by both Government and development partners who concluded that UN still has an important role to play in Mozambique.

The Paris Declaration monitoring survey further concluded that

- UNCTs are progressively more engaged in programme-based approaches such as Sector-Wide Approaches (SWAs) and capacity development initiatives have increasingly become a more systematized crosscutting theme, and that
- Comparatively little progress has been made with the use of national systems, such as monitoring and evaluation, reporting, public financial management and procurement. With the introduction of the HACT, the UNDG agencies should focus on building government capacity in effective resource management and progressively shift to using national systems.

Non resident agencies

A significant part of the efforts to make the UN more effective at country level has been aimed at enhancing the participation of non resident agencies in national development planning processes. The importance for the country teams to capitalize on the expertise and the vast knowledge of the UN system in its entirety has been emphasized in various fora and in response, the UNDG working group of non resident agencies carried out a survey to understand what action might be helpful. Two problems were initially identified, limited capacity of RC's to fully inform and consult the non resident agencies, and limited capacity of the non resident agencies to respond to requests for technical input without additional financial support.

The UNDG adopted a costed action plan in 2006 aimed at better mainstreaming the non resident agencies into the UN's programming process at country level. One of the key activities was the assignment of dedicated national coordination analysts to support non resident agencies in 14

countries, funded by UNDP on a pilot basis. These staff will ensure that the non resident agencies are fully informed of all in-country processes where their technical and/or normative assets may be relevant, and they will also assist them in participating in the CCA and UNDAF.

Cooperation with the Bretton Woods Institutions

As a response to the TCPR call to enhance the cooperation between the United Nations system and Bretton Woods Institutions (BWIs), important strides have been taken. Both the World Bank and the International Monetary Fund are active members of the UN country team in most countries, where they participate in the planning processes. The improved partnerships between UN and the BWIs are particularly visible in post-crisis countries (see chapter VI). To complement this positive development, additional work is now needed to institutionalize partnership arrangements, which are still too often dependent on personal relationships at country level.

c. Remaining challenges

UNDAFs are not yet as focused and strategic as they should be, nor are they used sufficiently to guide individual agency programmes. Agencies have their own global organizational strategies and priorities, often driven by their Board-approved multi-year strategic plans. This can at times lead to mixed signals and conflicts between country level planning in response to national priorities and other actors' contributions, and agency "requirements". Further, the capacity for clear strategic planning across the system is still not satisfactory at country level, and may need to be enhanced during critical planning periods. Recognition of this issue is growing across the system, as reflected in the recent CEB agreement.

Although the non resident agencies have taken steps to ensure a more active participation in country level processes, they are still insufficiently engaged in the harmonized planning and programming processes. The linkage between UNCTs and the normative capacities of the UN system must be strengthened, by addressing both the limited capacity of the RC to bring the non resident agencies into the process, and the limited capacity of these agencies to participate. The key challenge is to open the door fully to the broader UN system, whilst not reversing progress made towards a more focused, strategic UN response.

Resident Coordinator System and the United Nations Country Teams

a. TCPR rationale

The TCPR requests a comprehensive **accountability framework** for Resident Coordinators to be developed to exercise oversight of the design and implementation of the UNDAF, and further urges the members of the Executive Committee of UNDG to develop a procedure for the common

assessment of the performance of Resident Coordinators by all members of the United Nations country team. The TCPR also welcomes improvements in the **RC selection process and training**.

On the issue of **fundraising**, the TCPR requests that, while raising funds, RCs concentrate on raising funds for the whole of the United Nations at country level.

The TCPR also underscores the fact that the management of the RC system continues to be firmly anchored in UNDP, while recognizing that many RCs lack the capacity to address equally well all tasks inherent to their functions, especially in countries with large country teams, complex coordination situations or in situations of complex emergencies. In such cases the TCPR requests UNDP to appoint a **Country Director** to run its core activities, including fund-raising, so as to assure that RCs are fully available for their tasks.

Further, the TCPR acknowledges that the utilization of advanced **information and communication** technologies by the United Nations system could contribute to enhanced information-sharing and knowledge management, and therefore encourages United Nations organizations to intensify their efforts to expand the use of information and communication technologies.

b. Progress

Agencies have expressed concerns in the past seeing the RC as being too focused on UNDP, and not always perceived to be serving the whole UN system. Over the past three years, great progress has been made in establishing a shared vision of a RC system that will serve the needs of the whole UN system. Implementation of this vision is well underway, although it will take several more years to complete.

RC principles of accountability

After 24 months of discussion with the full UNDG, agreement was finally reached on a set of accountability principles⁷ establishing the UN Results Matrix as the key instrument around which an accountability framework has been built. This accountability framework seeks to respond to the increased complexity in the functioning of the RC System in light of developments over recent years, including those associated with the implementation of UN reforms since 1997.

As a direct response to the fundraising request in the TCPR, the principles of accountability goes a step further as one of the principles states that “The RC will have responsibility to support advocacy and resource mobilization for the UNDAF as a whole, complementing the efforts of UN system agencies participating in the UNDAF”.

⁷ http://www.undg.org/docs/7156/RC_Principles_Accountability.pdf

Performance appraisal system

Another key achievement of 2006 has been the agreement on an integrated system of performance appraisal for RCs and UNCT members to be done by the UNCT agencies so as to increase UN system ownership of the RC function. The new appraisal system for the RCs was introduced into all countries in 2006/2007. It is used to appraise all RCs on results achieved against agreed UNCT goals, as well as in leadership behaviours. Results, where RC leadership is critical, are established at the beginning of the year by the RC and the UNCT, and appraised at year-end by the Regional Director Teams (RDTs), drawing on inputs from all parts of the UN System as well as the UNCT. Leadership behaviours are appraised by the UNCT, using a web-based team self assessment instrument. The team self assessment tool has been introduced in over 130 UNCTs, with feedback results provided to RCs, agency representatives, and their managers. The most important feature of the new system is the shift from 'ownership' of the performance appraisal system (and therefore, the key incentive system) from UNDP to the UN system as a whole. This shift will have significant long-term impact, and should help UNDG members feel more comfortable about the increasing role of the RC.

Team participation counts

Over 100 Resident Coordinators and UNCTs undertook 180 degrees peer assessments of key leadership behaviours. Through an online questionnaire tool, participants received feedback on their own and their team's behaviours as seen by themselves and their peers. The 180 degrees reports help individuals and team identify their leadership strengths and weaknesses. It is being used as input into RCs and Executive Committee (ExCom) agencies' performance appraisals and is an important step in emphasizing the importance of the individual's participation in the team.

Selection and training

The RC selection process, guided by an interagency panel, continues to improve and provides the system with increasingly diverse, high quality RCs. In 2007, of the 134 serving RCs, 31% are non-UNDP, 32% are female and 49% come from the South. As the figures show however, there is still a need for more qualified candidates to be put forward from the agencies, particularly female and southern candidates. This is a particular challenge for the non-UNDP agencies. Over the period 2004 – 2006, 38% female candidates were put forward from the non-UNDP agencies, compared to 50% from UNDP. Similarly, 50% of the non-UNDP candidates came from the South, compared to 64% from UNDP. This generates conflicting dynamics where the desire to increase non-UNDP RC's conflicts with the desire to increase female or southern RC's.

The trainings provided for RCs and UN country teams have been significantly improved. In 2006, the induction training for first time RCs included sessions on communication and media relations, negotiation, political analysis, team building and management skills as well as briefing on UN Reform

and RC roles and functions. A much greater focus was placed on agency briefings and the new RCs were briefed by some 20 Funds, Programmes, Departments and Specialized Agencies on their mandates and priorities. The training for UNCTs undertaking the CCA/UNDAF process was furthermore redesigned at the end of the year, to give greater emphasis to effective strategic prioritization. At the regional level, a training workshop on Results Based Management was held for regional staff from a number of agencies who provide support to country level.

Communication and information exchange

Learning and capturing good practices is an essential element to drive reform forward, and making these practices and lessons learned available to the countries is a key factor for progress and system coherence. Furthermore, these practices provide a very cost-effective way for leveraging the collective potential of the UN system.

The undg website has been an effective way of sharing information on the RC system and country coordination (www.undg.org). A web-based Coordination Practice Network (CPN) has been established to provide United Nations staff working in, and now has over 1000 United Nations staff members subscribing to the network. Through the CPN network, a forum is provided which allows the members to share and draw on good practices and experiences from other countries and regions. Secondly, it helps to reinforce the policy feedback-loop between field practitioners and headquarters, allowing undg agencies to receive valuable feedback on the actual implementation of newly drafted policy papers and guidelines.

Several UN agencies have introduced specific communication initiatives to ensure that their field staff is well informed about HQ agreements on UN reform. However, the majority have not yet done so, and field staff are not sure of their agencies' position on reform efforts.

UNDP Country Directors

To facilitate the growing coordination function for RCs and allow them to perform this function more effectively, UNDP is progressively introducing Country Director posts. The Country Director is responsible for the day to day management of UNDP's programme under the strategic direction set for the UNCT in the UNDAF. The Country Director is also responsible for raising funds for UNDP, while the RC is responsible for mobilizing funds for the whole UNCT. To date 30 Country Directors are in post⁸ and 10 additional posts⁹ are under establishment. Priority has been given to countries where the RC function is particularly challenging.

⁸ Angola, Burkina Faso, Burundi, DRC, Cote d'Ivoire, Ethiopia, Liberia, Mozambique, Nigeria, Sierra Leone, Tanzania, Afghanistan, Bangladesh, China, Indonesia, Pakistan, Sri Lanka, Timor Leste, Vietnam, Egypt, Iraq (2), Lebanon, Sudan, Somalia, Kosovo, Colombia, Guatemala and Haiti.

c. Remaining challenges

While good progress has been made in UN system ownership of the RC system, and increased quality of coordination, these changes have not yet been introduced in every country where they are applicable, and some enhancements will be necessary to realize the full benefits. We can see the impact of these changes in some countries already, but it will take another two years or so before we see the real changes in culture and attitude that many of the changes intend to promote. Moreover, although assessment of RCs is now being carried out jointly, consequences of a poor assessment have yet to be seen, so confidence in the effectiveness of the system remains cautious.

Changes in behaviour are generated by a combination of changes in vision and changes in incentives. While major progress has been made to adjust the incentive system for the RCs, more has yet to be done to change the incentive system across the UN system at all levels. This will be a priority in 2007.

Despite the above mentioned efforts in improving communications, there is an urgent need for more agencies to improve communications about UN Reform, from HQ to staff at regional and country levels.

IV. Regional dimension

a. TCPR rationale

On the regional level, the TCPR calls upon the UN system and its regional bodies to intensify their cooperation and adopt more collaborative approaches to support country level development initiatives, in particular through closer collaboration within the RC system and by improving mechanisms to access the technical capacities of the UN system at regional/sub regional levels.

b. Progress

The regional structures have not been fully engaged in the UN reform process and consequently have not been able to play the much needed supporting role to the processes at country level. As a direct result, the qualities of CCAs and UNDAFs have not benefited from sufficient oversight or support. The regional structure ought to play a vital role in the coordination structure, and in the last two years, efforts to enhance coherent support and oversight provided to UNCTs by the regional levels of the agencies' funds and programmes have significantly increased.

⁹ Rwanda, Zimbabwe, Kenya, Guinea Conakry, Chad, Nepal, Cambodia, Yemen, Albania and Uruguay

Following the establishment of the Regional Director Team (RDT) pilot in Johannesburg in 2004, RDTs have now been established and become increasingly active in all regions: Africa (two regions: Western-Central and Eastern-Southern), Asia-Pacific, Arab States/MENA (Middle East and North Africa), Europe-CIS and Latin America-Caribbean region. In 2006, the establishment of so-called 'regional support hubs' was agreed between the ExCom agencies as follows: for Western-Central Africa - Dakar; Asia-Pacific - Bangkok; and Latin America-Caribbean - Panama City. Co-location feasibility studies are currently underway to determine inter-agency regional hubs for Eastern-Southern Africa, Arab States/MENA and Europe-CIS.

Towards co-location in Panama

The RDT Latin America-Caribbean, spearheaded by a Deputy Regional Directors Task Force on Regional Premises, undertook a comprehensive feasibility study to determine options and modalities for an inter-agency regional hub in response to the Government of Panama's offer of the *Ciudad del Saber* as a possible hub. A study was commissioned to determine whether one building or separate buildings (within the *Ciudad de Saber*) were most feasible. Findings revealed that one common UN regional building was ultimately the clearest choice. Legal, administrative and financial arrangements, a cost-benefits analysis, cost recovery dimensions, and a resource mobilization strategy (including contributions from the Government of Panama and donors) were salient issues included in the study. A final recommendation, including conclusions will be submitted to ExCom Deputy Executive Directors.

In 2006 all RDTs introduced the new RC performance assessment system, culminating with the RDT meetings in all regions in 2007. UNDP has further established one support post for each RDT to facilitate their work in oversight and support.

Regional inter-agency Quality Support and Assurance (QSA) teams have been established across geographic regions, each with one 'convening' agency responsible for gathering all agencies' inputs on CCA and UNDAF processes and providing consolidated feedback to UNCTs. So far, the overall success of the QSA teams has been uneven. In some regions, QSA team members participate with the UNCT at UNDAF and other strategic workshops to offer guidance and examples from neighbouring countries. At headquarters, the undg Programme, Management, and Country Programme Support Groups have each reached out to the RDTs and their QSA teams, to ensure that programme and management policy, as well as implementation models and good practices, are understood and disseminated.

c. Remaining challenges

Until recently, the composition of RDTs primarily involved ExCom agencies with relatively junior non-ExCom agency involvement. A notable exception was the involvement of the WHO (PAHO) Regional Director in Latin America and Caribbean. At the undg ExCom Global Regional Directors Meeting in March 2007, it was agreed that RDTs should seek greater engagement of non-ExCom and

Specialized Agencies in RDTs. Several specialized agencies are organized by themes rather than by reforms, so it is difficult for them to work on a regional basis.

The different country coverage by, and physical location of, the Regional Directors of each agency and the fact that some agencies do not have regional directors in the same way as the majority, will require a sophisticated system of interaction for effective teamwork, or a re-alignment of country coverage.

V. Gender

a. TCPR rationale

The TCPR calls upon all organizations of the UN system to pursue gender equality in their country programmes and to articulate country-level goals and targets on gender equality in accordance with national development strategies. It urges the RC system to make gender specialists available in key sectors, to work with national counterparts to generate sex disaggregated data, to ensure clear mandates and needed resources for gender theme groups and specialists, and to avail itself of UNIFEM's technical expertise. It also calls on the RCs to ensure that information on gender equality is included in their annual reports and encourages progress on achieving gender balance in appointments.

b. Progress

The UNDG is taking concrete steps to support progress on gender equality and women's empowerment by the UN Development Cooperation system in line with the TCPR recommendations. In 2006, the Heads of Agencies of the UNDG endorsed the development of a set of indicators to assess UNCT performance on supporting countries to advance gender equality; a draft set of indicators has been developed and will be field-tested and finalized in the second half of 2007. Gender equality is being systematically mainstreamed into policy guidance, tools and capacity development, including in the e-learning module for UNCTs and in the new guidelines on CCA/UNDAFs.

The UNDG review of RC Annual Reports for 2004, 2005, and 2006 shows an overall positive trend toward strengthened reporting on and support by UNCTs for gender equality. Key areas of progress based on 134 total reports reviewed from Resident Coordinators:

- Forty-five RC reports in 2006 highlighted UNCT efforts to mainstream gender equality in national development processes, compared to 20 in 2005 and 17 in 2004.
- Seventy-two UNCTs highlighted gender equality or women's empowerment in the outcomes for their workplans, as compared to 52 in 2005 and 49 in 2004.

- There are indications that the number of Gender Theme Groups increased to 61 in 2006, compared to 41 in 2005 and 37 in 2004¹⁰.
- UNCTs have increased their support for national efforts to produce sex disaggregated data, with RCs reporting on support in 23 countries in 2006 compared to 19 in 2005 and 9 in 2004.

c. Remaining challenges

Reviews of CCA/UNDAFs and RC annual reports indicate an overall positive trend in UNCT performance on gender equality over the past three years. The indications of progress are, however, based primarily on document reviews and anecdotal information. More systematic review and evaluation of UNCT performance is needed to effectively assess where UNCTs are making progress and where gaps remain, including in the extent to which the Resident Coordinator is playing a key leadership role in calling for enhanced performance on gender equality. The finalization of the UNCT performance indicators and the CEB-approved United Nations system-wide gender mainstreaming strategy and its action plan should contribute to improvements in the coming years.

Enquiries commissioned by the undg Task Team on Gender Equality in 2006 observed that while the analytical sections of CCA/UNDAFs have improved and while there is a better reflection of gender equality in outcomes and indicators since the last review (2002), there is inadequate evidence to indicate that UNCTs are making budget allocations and creating implementation mechanisms to respond to the analysis. The absence of a UN system-wide approach to track allocations and expenditures on gender equality by UNCTs makes it impossible to assess whether adequate resources are being assigned to gender equality initiatives and to gender mainstreaming. Additionally, while there is more reporting on UNCT support for national plans of action on gender equality, there remain too few examples of holistic, UNCT-wide strategies in support of gender equality that call on the comparative advantages of the entire system, including non-resident agencies. Finally, in the context of broader UN reform processes – such as the One UN pilots – the trend of under-investing in gender equality resources too often leaves UNCTs without the necessary technical expertise needed to ensure gender mainstreaming in joint programmes and coordination initiatives.

VI. Transition from relief to development

a. TCPR rationale

In resolution 59/250, the General Assembly recognizes that the UN development system has a vital role to play in situations of transition from relief to development. In such contexts, the central challenge is for the UN to support countries in establishing the foundation for long-term and

¹⁰ The undg does not systematically track numbers of theme groups.

sustainable development, while maintaining the capacity to respond to immediate humanitarian needs that may still exist or occur again in the future. The international community recognized, through the resolution, that for such support to be effective, improved coordination, information sharing and planning, and financing were all needed together with a focus on national capacity development and ownership, and urged the system to improve its operations in these areas.

b. Progress

National ownership

Post-Conflict Needs Assessments (PCNAs) are increasingly used by the UN to support national partners in conceptualizing, negotiating and financing a common strategy, with the international partners, for recovery. As of January 2007, PCNAs had been undertaken or remain ongoing in Iraq, Liberia, Haiti, Sudan (North/South), Somalia and Darfur. National ownership is a guiding principle of the PCNA.

The UN system has provided training and technical assistance for national strategic planning and coordination functions in both post-conflict and post-natural disaster settings. For example, senior recovery coordination advisors were deployed to support tsunami affected countries where they worked closely with government and civil society, to help prepare the national recovery assessments and the national recovery plans.

In Burundi and Sierra Leone, the first two pilot countries for the Peacebuilding Commission, the UN system has assisted national authorities in developing peace-building priority plans and a joint steering committee is responsible for overseeing the implementation of the plans.

The UN system has also supported national actors in incorporating crisis risk reduction measures into recovery interventions. In conflict-affected countries, analysis to identify underlying causes of the conflict is a first step in the PCNA exercise and often leads directly to programmes that are vital for national reconciliation and future crisis prevention. Furthermore, in post-natural disasters, the UN uses the window of opportunity following the immediate crisis to engage in long-term capacity building interventions at national and local levels with the aim of strengthening disaster risk management, early warning and disaster preparedness (as e.g. in Sri Lanka, Indonesia, Pakistan, Maldives). The UN system works increasingly with national partners to promote an early focus on the protection of women and children during the post-crisis response, including timely preventive measures against sexual violence and trafficking.

Interdepartmental and Interagency collaboration

The partnerships with key actors in post crisis recovery have been significantly strengthened since January 2005, including the Department for Peace-Keeping Operations (DPKO), the Department of Political Affairs (DPA), the Peace-Building Support Office (PBSO), the UN Office for the Coordination of Humanitarian Affairs (OCHA), the Inter-Agency Standing Committee (IASC), and the World Bank. As a result of this enhanced partnership, common approaches were integrated and translated into complementary assistance on the ground. A highlight of this increased dialogue has been the finalization and agreement of the Joint Programme on a common platform for strengthening support to PCNA exercises between the UNDG and World Bank. In 2006, DGO, OCHA and UNDP's Bureau for Crisis Prevention and Recovery (BCPR) established a joint initiative to support RC/HCs and UN Country Teams in developing or strengthening their coordination structures during transition, including, where appropriate, through joint RC/HC coordination support offices at country level.

The joint UN/World Bank PCNA methodology to support national planning for transition in immediate post-conflict settings continues to provide a strong platform for cohesion among national and international actors, including notably the World Bank and UN actors. A comprehensive review of the PCNA in 2006 and resulting refinements being introduced in 2007 will further strengthen this tool's contribution to integrated planning, costing, financing, and implementation of national priorities in transition settings.

As part of the Humanitarian Reform, 19 UN and non-UN partners formed a new partnership on "early recovery" within the context of the IASC cluster approach. This Cluster Working Group on Early Recovery (CWGER) focuses on building system-wide global capacity and preparedness to enable recovery to begin early during the humanitarian phase and to influence the way humanitarian relief is carried out, so that it takes better into account longer-term developmental concerns, risk reduction and conflict prevention perspectives. This cluster approach has been applied to all major natural disasters from January 2006 and onwards.

Effective RC/HC System

The RC/HC system plays an important role in coordinating UN system support to transition from relief to development. Significant efforts have been made to strengthen this system by creating institutional linkages between the coordination structures of Resident Coordinators and Humanitarian Coordinators and in some cases this has meant merging the offices of the RC and HC. Improved systems and standards for the identification, appointment and training of those individuals most able to deliver effective and accountable leadership on the ground have also been introduced.

Integrated Missions

Further, in response to the request in the TCPR, several inter-agency missions have been undertaken. UNDG has worked with DPKO and OCHA to develop the revised *Secretary-General's Note of Guidance on Integrated Missions*, clarifying the relationship between the Special Representative of the Secretary-

General (SRSG) and Deputy Special Representative of the Secretary-General (DSRSG), the RC and the HC, as well as giving guidance on the Integrated Mission Planning Process. The guidance note promotes much closer linkage between mission planning, national planning, and the planning of the UNCT support to national priorities, and was endorsed by the Secretary-General in June 2006.

Multi-Donor Trust Funds

There has been an increased understanding and use of Multi-Donor Trust Funds (MDTF) in post crisis settings as a mechanism to assist national authorities in accessing significant funding support quickly. The UN system has strengthened its capacity to participate in and manage such pooled funding mechanisms and has introduced systems and procedures, including standard agreements to reduce both transactions costs and the time required for the UN to establish a MDTF. The UNDG now manages MDTFs in seven countries, and steps have been taken to strengthen the collaboration with the World Bank. UN/WB collaboration has so far included joint review of the structure and performance of existing Funds, and ways to improve their effectiveness in funding needs in the post crisis period.

Post-conflict recovery assistance in Lebanon

Immediately upon the outbreak of hostilities in August 2006, a number of UN agencies, as well as the World Bank and donors came together to design a comprehensive joint support package for the country's recovery plans. The efforts focused on developing common responses through information sharing, initiating the preparation for a donor assistance conference and mobilizing UN system capacity to support national authorities and the UNCT in planning for recovery.

Staff from the UN Development Group were temporarily seconded to the Prime Minister's Office to assist in the development and drafting the national early recovery strategy, and coordinate the technical inputs from the relevant line ministries, the UNCT, the WB and non-governmental organizations.

The national early recovery framework highlighted the government's response to immediate needs and its plans for developing a long term reconstruction strategy, based on in-depth needs assessments and sectoral development strategies.

An international conference held in Stockholm on 31 August, where the government presented its early recovery strategy and received over \$900 million in pledges of financial assistance from the international community. Following the Stockholm conference, support was provided to the UNCT in the establishment of a Multi-Donor Trust Fund through which the international community could channel its financial assistance for recovery initiatives.

Response to Avian Influenza and preparedness for Pandemic

The UN response to the threat of the Avian Influenza pandemic offers an example of how the RC system provides an effective framework for UN country level coordination. In September 2005 the Secretary-General appointed a senior Coordinator for Avian Influenza (seconded from WHO) to lead the UN response to the pandemic, while drawing on all of the UN system assets. A small interagency

team was quickly assembled within the UNDG framework, with the main task to ensure cooperation and coordination within the UN system in developing a UN strategy to support national partners in the prevention of a pandemic and in the preparation for response in the event of an outbreak. 134 out of 140 UN country teams has drafted a pandemic preparedness plans. These plans focused on (1) staff health and safety, (2) operational continuity, and (3) support to the pandemic preparedness and response capacity of national authorities. The overall efforts were coordinated by the Office for UN System Influenza Coordination (UNSIC). UNSIC also prepared guidance for UNCTs on how to conduct simulation exercises that helped testing assumptions of and identifying gaps in national and UN preparedness plans. While focused on pandemic contingency planning, these efforts have also informed overall UN work on crisis preparedness.

c. Remaining challenges

Recent reviews of Multi-Donor Trust Funds have highlighted their contribution to ensuring greater coordination and coherence in providing financial support, supporting national ownership and control of aid allocation and achieving greater alignment with national priorities. However, many MDTFs experience significant delays, leading to an inability to jump start transition activities. These delays reflect, inter alia, a lack of standardized and streamlined procedures and agreements between MDTF stakeholders, and result in high transaction costs for recipients, limited access by non-governmental organizations, civil society and the private sector. Finally, MDTFs tend to substitute themselves for existing coordination mechanisms and their contribution to tangible 'national capacity development' needs to be strengthened.

Although relations with the World Bank are improving, it is important that the progress made is consolidated and that the division of responsibilities between the UN and the WB are further clarified, particularly in respect of the management of the multi donor trust funds and the assessments carried out after a natural disaster. Also the dialogue on issues of joint interest regarding international response in post conflict transition settings between the UN, WB, PBC/PBSO and the Donors must be strengthened.