One UN Pilots Initiative

Informal Issues Paper

I.   Background.

The Outcome Document adopted by global leaders at the 2005 World Summit called for much stronger system-wide coherence across the various development-related agencies, funds and programmes of the United Nations, in order for the UN to be able to more effectively fulfill its role in moving the international development agenda forward, including the MDGs, and build the required momentum for significant results on the ground.   In addition to supporting ongoing reforms spelled out in the 2001 and 2004 TCPRs aimed at building a more effective UN country presence, the Secretary-General was specifically invited to "launch work to further strengthen the management and coordination of United Nations operational activities."

In response to the Summit recommendations, the UN Secretary General commissioned a High-Level Panel (HLP) on System-Wide Coherence to develop concrete and comprehensive analysis and recommendations on how to make the UN more effective, building on the existing reform initiatives. The HLP presented a series of recommendations which will be discussed in a series of inter-governmental settings. The recommendation for the UN to "deliver as one" at the country level was at the heart of the HLP report and was endorsed by the UN Secretary General in his cover note formally forwarding the HLP report to the GA. Approaches to greater coherence are now being piloted in 8 countries whose governments asked to be pilot countries. It is important to stress that these are indeed "pilot" experiments. They will not and should not follow one particular model. The arrangements will reflect very different country circumstances.

The experiences and lessons from the pilots, however, will feed into the larger inter-governmental dialogue on reform. The experience from the pilots will be instrumental in defining approaches which are feasible and sustainable in particular types of settings and will improve the quality and impact of the UN's collective response to programme countries' aspirations and development priorities. It must be kept in mind, however, that there are the other, HQ and inter-governmental aspects of the efforts towards greater cohesion that cannot be resolved at the country level. These aspects are NOT discussed in this issues paper, although some of the country issues are difficult to resolve without reforms at the HQ and intergovernmental level.

II.   Key Issues/Challenges Faced by the Pilots and Emerging Thinking

Almost four months into the pilots implementation, a number of questions have emerged that illustrate the issues we have to consider while we encourage the UN system to 'deliver as one'. They require the attention of the leadership of the UNDG and include: (i) ensuring programmatic coherence and strategic focus; (ii) funding of the pilots; (iii)

evaluation of the impact of the pilots on development outcomes; and (iv) the challenge of keeping the management and overhead of the UN's development work as light as possible.

➤ Programmatic coherence and strategic focus.

The country programme is the main driving force of the UN presence in the field. Pilot country teams have commenced work on developing the "One Programmes" based on national development plans/strategic frameworks and an analysis of the comparative advantages of the UN system organizations and of the work of other development partners in the field.

Though the fundamental approach of developing the UNDAF[1] as the basis of the UN system country programme in the field remains unchanged, there are several approaches to the development of the "One Programme" building on the existing frameworks that are being explored in the pilot countries. The objective is to achieve greater strategic focus and coherence in the UN system's programmatic response to the countries' needs. These approaches demonstrate a range of possible models. For example,

- In Rwanda, the "One Programme" will be based on an "UNDAF Plus" and will include the UNDAF core results as well as UN interventions in other areas (currently captured in the UNDAF Annexes);

- In Viet Nam, a "One Plan" has been developed based on the existing UNDAF (2006-2010), and the country programmes of UNDP, UNICEF, UNFPA, UNV, UNIFEM and UNAIDS. Full integration of the strategic results of other Agencies deciding to join the One UN pilot is expected in a year's time.

- In Cape Verde, initial consultations on the "One Programme" have led to a preliminary agreement that it will include an existing common country programme of the ExCom Agencies and a set of additional focused strategic results/actions within the government's priorities which would be supported by other Agencies/organizations.

- The team in Pakistan has agreed to revise the current UNDAF, reformulating all core activities into 5 joint programmes to be coordinated by the existing thematic inter-agency Working Groups. It is hoped that around 80 per cent of the UN system resources would be deployed through these joint programmes which will together constitute the "One Programme" in Pakistan.

During this phase, one of the key challenges faced by the pilots is the need to achieve the most desirable balance between (1) a more strategically focused and results-based UN programme that is aimed at achieving a limited set of development results/outcomes and will demonstrate greater system coherence, and (2) an increasing pressure to develop a

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[1] UNDAF – United Nations Development Assistance Framework – is a strategic programme framework for the UN Country team, which describes the collective response of the UN to the priorities in the national development strategy. (Common Country Assessment and UN Development Assistance Framework: Guidance for the UN Country Teams)

programme inclusive of everything that agencies have been doing or are planning to do in the country. It is important in this regard that HQs encourage and provide their country representatives with sufficient authority to plan and programme their activities based on where the UN system jointly holds the greatest capacities to deliver in support of national priorities.

It is critical to recognize that the impact of the UN system at the country level encompasses both normative and operational aspects. The one UN programme in order to be inclusive and properly represent the UN system as a whole must capture both these dimensions. In many countries the normative role of the UN will often be one of its most distinctive and important contributions.

There is no agreement yet on how the "One Programmes", once endorsed by the Governments in the pilot countries, will be discussed and approved by the respective governing bodies. The only experience available, which could be further reviewed and built upon, is that of Cape Verde – the first Joint Office pilot. In this case, the Common Country Programme Document (CCPD) of the ExCom Agencies was approved separately by each Executive Board (UNDP, UNFPA, and UNICEF). The Boards reviewed the same basic document, with agency specific annexes. The WFP Executive Board received the Common Country Programme Document (CCPD) for information as they had already approved the WFP programme that had been reflected in the CCPD earlier. Prior to submission to the Boards the Regional Directors of the ExCom Agencies collectively discussed and endorsed the CCPD.

In addition, only the ExCom Agencies currently use the harmonized country programming processes and tools (CPD, CPAPs and AWPs) and have harmonized programme cycles in most countries. Other Agencies have different programming mechanisms and the challenge will be to find an acceptable middle ground which could satisfy the different requirements in terms of programmatic documentation, submission and approval processes, duration of programme cycles, etc. These are issues we should start discussing in some depth.

➢   Funding of pilots.

Funding for programme. Fundraising for the pilot countries should be primarily for the substantive part of what the UN is doing in the field, as reflected in the UN programmes. To facilitate this process, local coherence funds are being established in all pilots and will be operational once the "One Programmes" are finalized.

To date multi-agency missions have visited Vietnam, Albania, Mozambique and Tanzania to work out a set of principles and procedures that would gain system wide endorsement while empowering the Resident Coordinator and the country team to set priorities and provide system wide assessments of the UN's impact at the country level.

The current thinking on the administration of such funds – in terms of management and accountabilities – is to use the already widely applied "pass-through"[2] funds management methodology in joint programmes, also successfully employed in multi-donor trust funds. This ensures that once agencies receive funds for implementation they will be accountable for achieving the stated results.

The coherence funds are envisaged to be managed by the UN Resident Coordinators and will be used as a funding mechanism for the unfunded results in the "One Programme" based on one integrated budgetary framework. The fund will be an integral part of the overall budgetary framework.

The multi-agency missions have reached a large measure of agreement on the way forward. Their recommendations once ready will need to be reviewed by all agencies.

For the coherence funds to function effectively several issues still require further clarification.

The Resident Coordinator in consultation with the country team will need to prioritize and allocate the unearmarked funds made available to the coherence funds based on the one UN programme and the budgetary framework. It will be important to get system wide agreement on the process by which these decisions will be made

It will also be important to get system wide agreement on the role to be played by the Resident Coordinator in providing his/her own assessment of the overall strategic impact of the coherence fund in achieving the objectives of the one UN programme This assessment will accompany the agency reports on the implementation of the components for which they are responsible.

It should be noted that there is some concern about the fact that the coherence funds are envisaged to be used to fund only those unfunded results that are reflected in the "One Programme". There are increasing pressures to include into "One Programme" all interventions, which would dilute the strategic focus of the common UN programme.

For some agencies, non-core resource are used to fund a substantial part of what they do in the country but what is raised is only known and available over the course of the cycle. Therefore, there could be considerable competition for resources from the coherence fund and further prioritization within the already agreed "One Programme" may be called for.

Transition funding.

The key objective of the pilots is to test new ways to increase the development impact of the UN's work, while reducing the transaction costs and administrative overheads. In line with this, pilots should not be generating significant long term costs, although some short-terms extra resources – staff and funding – will be required during the transition stage when pilots are being designed and operationalized. The same is true about the need

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[2] deleted the footnote here….

to avoid creating heavy and costly coordination bureaucracies. Technical support should come from all UNDG members and we should avoid a new "mini-bureaucracy" around the RCs office.

> Evaluation of One UN Pilots' Results.

The overall success or failure of the One UN pilot initiative will depend a lot on the ability of the system to systematically capture and evaluate pilots' results, with a primary focus on the development results in the pilot countries. In this regard, it will also be important that lessons learnt are drawn and effectively communicated to the governments in programme countries, donors and UN staff. As a key priority, it will be critical to determine upfront what indicators will be used to evaluate success and what baselines pilots will be assessed against. It is proposed that the leadership in the design and implementation of the One UN evaluation methodology will be provided by the UN Evaluation Group (UNEG). Should this approach be acceptable, a detailed proposal will be prepared and presented for discussion.

The key challenge in terms of evaluating the results of the pilots will be to realistically balance the evaluation of process and the evaluation of impact results. While real development results will be difficult to identify during the first year of pilots' implementation, these should become more apparent and measurable in the subsequent years.

Some of the issues that require immediate consideration include (1) to which governing body the evaluation of the pilots' results will be presented; and (2) which body should act as the key management counterpart of the UNEG.

> Keeping the UN presence light.

Given that inclusiveness and participation by all UN organizations is an agreed principle of the One UN pilot initiative, some Agencies that have not been resident in pilot countries (or that have had a relatively light presence), are now considering to establish formal "in country" structures. There is a concern that this may lead to shifting the focus away from enhanced technical support for the pilot countries to increasing the number of UN entities resident in the country. This issue should be addressed.