United Nations   E/2011/...

![UN emblem] **Economic and Social Council**   Distr.: General
                                                 April 2011
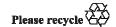
                                                 Original: English

---

Substantive session of 2011
Geneva, 4 - 29July 2011
Item 3 of the provisional agenda*
Operational activities of the United Nations for
international development cooperation

Functioning of the Resident Coordinator system, including costs and benefits
Report of the Secretary-General

Summary

This report highlights progress made in improving the Resident Coordinator (RC) system. It shows that the UN system has endeavoured to strengthen the RCs within the complex UN system of organizations by 1) institutionalizing their lead role; 2) establishing frameworks for cooperation in the UNCT; 3) creating incentives for collaboration; and 4) establishing clear accountability. However, more needs to be done. In particular, the Management and Accountability system – which aims at responding to TCPR mandates- remains work in progress. There is space to improve the instruments that empower the RC. While the use of innovative funding mechanisms such as MDTFs is important, the UN system should accelerate the implementation of other innovative instruments and mechanisms to strengthen the relevance and effectiveness of the contribution of the UN system for programme countries. This report proposes recommendations for ECOSOC's consideration, including accelerating the implementation of reform and improving the UNDAF and other instruments in support of the RC system.

Contents

I. **Introduction**

1. The RC system is the main mechanism of the United Nations (UN) development system to coordinate its support to national development as well as recovery and transition in programme countries. It brings together the capacities of the UN system in supporting national development efforts. It also assists countries in implementing Internationally Agreed Development Goals (IADGs), including the MDGs.

2. Improving the functioning of the RC system is at the core of system-wide coordination and coherence at country level. The General Assembly (GA) Triennial Comprehensive Policy Reviews (TCPR) of UN system operational activities and ECOSOC follow-up resolutions established key policy orientations for the governance and functioning of the RC system. A common thread running through these decisions is the principle of national ownership and leadership, the central role of the RC in country-level UN system coordination and the importance of ensuring that the RC system is owned by the entire UN system, inclusive and accountable to all.

3. Over the past few years, the RC system has undergone several changes, to provide more effective and coordinated support to country development. The adoption of the "*Management and Accountability System of the UN Development and RC System including the "functional firewall" for the RC System*" (MAS) by the UN Development Group (UNDG)[1] in 2008 has given a major impetus to this reform. A review of the MAS is currently being conducted under the auspices of UNDG.

4. This report aims to shed light on the systemic challenges and opportunities in maximizing the RC system support to programme countries. It assesses the performance of the RC system against the benchmarks formulated in the 2007 TCPR and ECOSOC follow-up resolutions[2]. It also highlights possible issues to be addressed in the 2012 GA Quadrennial Comprehensive Policy Review (QCPR) to help ECOSOC in guiding the preparations for the review.

5. Ten RCs were interviewed and a number of UN agencies were consulted and surveyed to aide the preparation of the report. These are referred to in the report as they revealed important system-wide issues. A range of RC Annual Reports (RCARs) were also analysed.

6. This report should be read in conjunction with the reports of the Secretary-General on the RC system prepared in the past three years, and with other reports presented to the Council's operational activities segment.

II. Institutional context and systemic challenges

_____

[1] UNDG comprises 32 UN funds, programmes, agencies, departments, and offices that play a role in development.
[2] ECOSOC resolutions 2008/1, 2009/1 and 2010/22

7. The RC system is multi-tiered, involving both governmental and intergovernmental oversight and coordination mechanisms at headquarters, regional and country levels. It is present in over 130 countries through RCs and UN Country Teams (UNCT), serving a system of 32 organizations and entities, and the Bretton Woods Institutions, each with its own mandates, governance structure and procedures. The RC system performs multiple functions and serves diverse needs within a complex institutional structure, which pose a major challenge to its effective functioning.

1) The Resident Coordinator

8. The RC represents the Secretary-General and the UNCT as a whole, including Non-resident Agencies (NRAs) to the Government. The RC leads the development of the UN Development Assistance Framework (UNDAF), and makes the final decision on its strategic focus. The RC also contributes to resource mobilization for the UNDAF. S/he coordinates its implementation, monitoring and evaluation. The RC reports on UNDAF results notably to the government.

9. The RC has "multiple hats", serving as the designated representative of the Secretary-General in normal situations and in about 80% of countries as the Designated Official for security (DO). The RC is usually designated as the Humanitarian Coordinator (HC) in countries in the midst of humanitarian crisis (currently 29), and the Deputy Special Representative of the Secretary-General (DSRSG) in integrated presences[3]. In certain locations, the RC is the Director of the UN Information Centre. The RC is also the Resident Representative of UNDP.

10. Despite these many functions, the RC is not vested to commit financial resources. S/he has no direct control over human, technical and financial resources, except those in the RC offices. Furthermore, there are no direct supervisory lines between the individual members of the UNCT and the RC. In spite of these limitations, the RC is accountable to among others the government, the UNCT and UNDP (as UNDP RR).

2) The UN Country Team

11. The members of the UNCT are accountable for results agreed upon within the UNDAF and Joint UNCT work plans. UNCTs differ substantially in size and composition, depending on, among others host country policies and development situations as well as agency field presence and service profile. Some UNCTs have up to 18 to 23 resident members, but the majority have 12-20 resident members and about one-third of the teams have up to 12 members. Most NRAs use the RC's Office and UNDP for local representation and support.

---

[3] "Integrated UN presence" refers to any context in which the UN has a multidimensional peacekeeping operation or political mission in addition to a UNCT.

12. The RCs have to define and pursue the UNCT agenda through a consensual process within the UNCT. Each organizations[4] represented in the UNCT has its own governance and accountability framework and highly specialized mandates. The human, financial and technical resources available to them also differ, with each operating on business models[5] that best suit their mandates. The country representatives/directors of the agencies have direct-line accountability to their own organizations. Agencies' country offices and programme activities are funded by their own resources (from the regular budget/core funds and extra-budgetary/non-core resources) and/or host government contributions. These differences come into play at country level particularly when UNCTs help countries deal with cross-cutting or large-scale issues such as climate change, food security, and the global economic crisis.

3) Regional UNDG Teams and Regional Coordination Mechanisms

13. The **Regional UNDG Teams** include not only former "ExCom Agencies"[6], but also Specialized Agencies and Secretariat Departments. Notably with the MAS, their focus has shifted to providing strategic guidance to RCs and UNCTs in relation to the preparation of UNDAFs. Their core functions include technical support to RCs and UNCTs; quality assurance of UNDAFs/UN Programme, performance management through the RC/UNCT Performance Appraisal system and "trouble shooting" in challenging country situations

14. The **Regional Coordination Mechanisms (RCM),** chaired by UN regional commissions, coordinate UN system organizations regional offices on strategic policy and programmatic issues of regional priorities and concerns.

15. RCMs and Regional UNDG Teams are expected to support and strengthen each other's work through a two-way interaction. The RCMs focus on policy, normative-support and analytical work at the regional and subregional levels, while regional UNDG teams have a more operational focus of providing coherent and timely support to UNCTs.

16. RCs and UNCTs can call on Regional UNDG Teams and the RCMs for support. The role and accountability of the regional directors/representatives of various UN organizations, however, vary significantly. Some exercise oversight of country operations, while others are centres of expertise or logistics. Generally, they do not yet have the level of authority, expertise and resources necessary to take on the new tasks delegated to them by the MAS. Although this is being addressed in UNDG, the support that the RC can obtain from the Regional UNDG Teams remains uneven.

4) Global Governance of the Resident Coordinator System

_____

[4] Funds and Programmes, Specialized Agencies and UN Departments
[5] Operating modalities in relation to resource mobilization, operational and accountability tools and instruments, including levels of delegated authority
[6] UNDP, UNFP, UNICEF and WFP

17. Member States, through the GA Comprehensive Policy Reviews, establish overarching principles for the functioning and management of the RC system. ECOSOC monitors the implementation of these principles and guidance and the RCs report to host country governments on results achieved in UNDAFs.

18. The RC system is managed by UNDP on behalf of the UN system, with guidance from all organizations, and accountable to all through the UNDG. The Secretariat to UNDG, the UN Development Operations Coordination Office (DOCO) provides funding and training to RCs. As a result of a restructuring triggered by the MAS, DOCO will focus on policy and strategic support functions[7], with the operational tasks shifted to the Regional UNDG Teams.

19. Given the multi-hatted role of the RCs in supporting programme countries, a range of UNDG and other organizations and entities (e.g. DSS, DPA) issue requests and guidance to RCs. The burden of reconciling these different agendas rests entirely on RCs.

20. Within this complex system, increased expectations are placed on the RC. Programme countries also ask more often the RCs to coordinate policy support or normative advice, including from NRAs. UNDG strategic priorities for 2010-2011 stressed support for UNCTs to engage in policy and program dialogue, technical advice and capacity development.

III. Support of the RC system to national ownership and leadership in the coordination of external assistance

21. The 2007 TCPR reiterated that national Governments have the primary responsibility for coordinating all types of external assistance in order to effectively integrate such assistance into their development process.

22. It also invited the UN system to enhance its participation, *ex officio*, in current and new aid modalities and coordination mechanisms at the request of the programme country. Aid coordination is exercised notably through Consultative Group and Roundtable between governments and donors, ad-hoc government-donor meetings, sectoral working groups, or internal donor meetings.

23. Governments often seek the support of UNCTs in the management and coordination of external resource flows. At their request, UNCTs have supported the preparation of National Development Plans, Joint Assistance Strategies, and Sector-Wide Approaches. According to the RCs interviewed for this report, the RCs, on behalf of the UNCTs usually participate in one way or another in national aid coordination mechanisms.

_____

[7] This includes the responsibility to support UNCTs in operationalizing the 2010-11 UNDG Strategic Priorities and the Management and Accountability system

24. Capacity building is the centerpiece of UN support for aid coordination. A key focus is strengthening capacities of central and local governments to lead and account for progress on their national development priorities. In 2010, 80 UNCTs also supported capacity development for state and non-state actors to participate in aid modalities, aid management and coordination, and evaluation. In 62 countries, UNCTs strengthened national capacities to develop and use aid information management systems so as to bolster national aid coordination, increase aid transparency and accountability, and maximize aid contribution to development.

25. UNCTs increasingly harmonize their technical and financial support with other partners through programme-based approaches, particularly at the sector level. A focus is placed on strengthening national leadership to accelerate progress on the MDGs. In 2010, 55 UNCTs reported their participation in 154 programme-based approaches, primarily in the health, education and agricultural sectors. Their support to national partners also aims at ensuring that sector-based programmes are accessible to the poorest and most marginalized populations.

26. The role of the RCs and the UNCTs in supporting aid coordination also varies with the development status of their host countries as well as the characteristics of the donor community:

27. In high aid dependence countries, usually Least Developed Countries (LDCs), the RC system plays an important role to assist the governments, upon request, in building capacities for aid management, coordination and monitoring, as well as in ensuring transparency of aid flows and management. RCs frequently participate in aid coordination bodies on behalf of the UNCT. UNCT members are represented in committees dealing with sectoral issues, irrespective of the size of the actual UN contribution.

28. In Middle Income Countries (MICs), where the donor community is smaller, UNCTs help the government to coordinate external partners effectively at sectoral level and to build monitoring and evaluation capacities of corresponding local institutions, for example the line ministries. The RCs also assist such countries in accessing the technical resources of the entire UN system, including the NRAs.

29. In countries in midst of humanitarian crisis or conflict or in post-crisis/conflict situations, the coordination role of the RC extend also to the interventions of non-UN system actors e.g. through the development of a response plan and coordination of humanitarian operations. Integrated presences enable the UN to develop a more integrated approach to the challenges at hand. Yet, it is important for the DSRSG/HC/RC to acknowledge the different imperatives of peacekeeping, humanitarian relief and development assistance, so that aid coordination mechanisms can be structured accordingly.

30. Overall, the RC system plays an important role in helping programme country coordinate external aid.   Challenges are many, as aligning international assistance with national development priorities hinges also on consensus reached at the international level.

IV. The role of the RC system in the coordination of UN system contribution to national priorities

31. The 2007 TCPR recognized the central role of RCs in the coordination of UN operational activities, with the ultimate goal to improve support to programme countries. It furthermore underscored UN system-wide ownership of the RC system, and the need for participatory, collegial and accountable functioning. Towards these objectives, measures have been introduced over the past few years to address gaps in four areas, namely RC leadership, frameworks for cooperation, incentives for collaboration and accountability.

1) Institutionalization of the lead role of the Resident Coordinators

32. The RCs do not have direct supervisory relationships with the heads of agencies in the UNCTs. Interviews with RCs showed that coordination by the RCs relies largely on the leadership skills of individual RCs and their personal relations with members of the UNCTs. There has been an effort to strengthen the lead role of the RCs through instruments that help develop a shared UNCT vision and reward coordination. Success stories show that the leadership of the RCs is most effectively exercised when it is shared with UNCT members by giving them a leading role in thematic groups.

33. The adoption of the *Management and Accountability System* (MAS) marked the institutional acknowledgement of the leadership role of the RCs. It follows-up on mandates from the 2004 and 2007 TCPRs[8]. The MAS endorsed the vision that the RCs should be "an excellent team leader who can represent the whole UN system effectively". It equips the RCs with important responsibilities in managing Multi Donor Trust Funds (MDTFs) and Joint Programmes (JP). All agency country representatives are expected to report to the RC on matters related to the working of the country team and implementation of agencies' country programme and strategy.

34. The UNDG guidelines on follow-up to the MAS, anchored the role of the RC notably in 1) leading the UNCT in developing the UNDAF and taking the final decision on strategic focus and allocation of resources, if consensus cannot be reached; 2) leading the UNCT in preparing an annual work plan based on UNDAF results and other joint plans and initiatives; 3) leading UNCT-wide monitoring, evaluation and reporting on the UNDAF results; and 4) serving the primary interlocutor for the UNCT with the Head of

_____

[8] The 2004 TCPR called for developing and comprehensive accountability framework for RCs. The 2007 TCPR underscored that the functioning of the RC system should be participatory, collegial and accountable

State or Government[9]. Agencies are in the process of adjusting the job descriptions of their resident representatives to reflect these roles.

35. Studies[10] suggest that the leadership of the RCs and teamwork within the UNCT are stronger in situations of transition from relief to development. A factor may be that there are more resources in such situations, including for coordination. The RC also has greater authority over funding instruments such as pooled funds. 17 out of 39 MDTFs have a focus on humanitarian assistance, recovery or peace-building. This has enhanced authority of the RC in facilitating the development of a common vision and coordinated operational work. Some UNDAF evaluations and reviews however show that coordination needs to be further deepened.

36. Consultations with RCs and some studies suggest that the leadership of RCs over development issues is also strengthened by their functions relating to political, humanitarian and staff security issues.

37. For example, in a special political mission or peacekeeping operation, the RC (also designated as DSRSG) is widely recognized by the UNCT as the team leader in addressing political issues and liaising with the SRSG. The RC plays a key role in leading joint, UNCT-wide peace-building strategies and priority plan as well as the implementation of the World Bank-UN-European Commission Partnership Framework on Post-Crisis and Crisis Situations. In non-mission settings, the RC leads engagement and analysis of the UN in situations of rising tension or political complexity. The RC/HC also plays a key role in emergency preparedness and wider Disaster Risk Reduction (DRR) in both inter-agency preparedness as well as longer term programming such as integration of DRR into CCA/UNDAF. As Designated Official for Security, and in accordance with new security policies in the United Nations Security Management system, the RC has greater scope in decision-making and greater authority in exigent circumstances in the selection of options relating to security issues.

38. While these various functions give added importance to the role of the RC, they entail major responsibilities and call for a wide range of competencies and frequent arbitration between multiple objectives and actions, with the ultimate objective to maximize UN support to the country.

2) Creation of frameworks for UNCTs to work together with strategic focus, inclusiveness, coherence and results

39. The value-added of the RC system rests, among others, with its ability to form a strategic vision that guides the individual and joint intervention of UNCT members in response to national priorities. Over the past decade, efforts to strengthen the RC system

_____

[9] This arrangement does not affect the relationship of each UN agency country director or representative to maintain direct lines of authority and communication with senior officials as part of its mandated activities

[10] Moritz, J., The value-added of UN Coordination at Country Level, March 2007

have focused on creating frameworks to bring together the UNCT to plan strategically and work jointly in contributing to national development priorities.

a) UNDAF

40. The UNDAF is the strategic framework for the collective response of the UN system to national development priorities. It defines the outcomes jointly pursued by the UNCT in line with national priorities. It is also a resource mobilization framework indicating how each UNCT member will contribute to the outcomes and the estimated financial resources required overall and from each agency.

41. The UNDAF however is not an operational document. Agencies continue to operationalize their contribution to UNDAF through their own country programme documents, project documents and work plans. There also continues to be agency specific programmes not included in UNDAF.

42. In 2010, 44 countries prepared new UNDAFs. For 2011, 28 new UNDAFs are envisaged. So far, 16 UNDAF roll-out countries have chosen to use the tools and policies[11] developed based on the "Delivering as One" pilot process.

43. The formulation of the UNDAF is an inclusive process, involving a range of national actors and all UNCT members to build a common strategic vision. The RC is to secure full national ownership of the process and products and ensure, together with national authorities and the UNCT, participation of all relevant stakeholders.

44. A majority of the RCs interviewed value the UNDAF as the only mandatory framework bringing the UNCT together. However, its preparation process was seen as heavy by many UNCT members. The UNDAF guidance introduced by UNDG in 2010 aims to simplify the process and give more flexibility to the UNCT, for instance to draw on government analysis to prepare the UNDAF.

b) UNDAF Action Plan

45. In addition to the UNDAF, members of the UNCTs prepare strategy and planning documents within the accountability frameworks of their own organizations. The funds and programmes develop Country Programme Documents (CPD), which are operationalized by Country Programme Action Plans (CPAP) and annual work plans. Other organizations may use project or programme documents[12] that are increasingly tied to corporate strategic frameworks. However, there is no formal mechanism to ensure the linkages between the UNDAFs and agency-specific documents. The RC does not have a role in the development of agency-specific documents.

----

[11] UNDAF Action Plan, including common budgetary framework; common country programming documents (CCPDs)

[12] Not all UN system agencies use work plans; project documents are usually of a similar level of detail – with annualized actions, targets and resources.

46. The 2010 UNDAF guidance introduced the option to develop an **UNDAF Action Plan** as a single operational document and a possible substitute for **all UN system organizations** specific operational documents. UNDAF Action Plan operationalizes the UNDAF. It focuses on resource requirements and indicative resource commitments through a Common Budgetary Framework. It also outlines how the UN system agencies organize themselves and work with government and other national partners to deliver those results. The RC is expected to exercise the overall oversight over the development of the UNDAF Action Plan, which builds clear link between the UNDAF and UN system agency programmes. Early experience has shown that the UNDAF action plan could be quite a heavy process.

c) Common Country Programme Document (CCPD)

47. In 2011, the first CCPD (Tanzania) was submitted to the executive boards. The CCPD consolidates the CPDs of the funds and programmes, into a single document in one format. It outlines the results, partner contributions and indicative resources of relevant UN organizations in line with the UNDAF or equivalent strategy document. The CCPD extracts information on operational activities of funds and programmes from the UN Development Assistance Strategy, covering programme information of all funds, programmes and specialized agencies.

48. The intergovernmental approval process of the CCPD remains the same as that for the agency specific CPDs[13], with the document going to each executive board for approval.

49. Although the role of the RC in UNDAP is not formally specified, the CCPD increases the prospect of the RC leading UNDAF implementation, enhancing cooperation and avoiding duplication. The CCPD suitability to include the specialized agencies, many of which work through projects, is being assessed.

d) Joint programmes

50. A **joint programme (JP)** is a set of activities, involving two or more UN organizations and (sub-) national partners with a common work plan and related budget. The RC co-chairs the Steering Committee for. MDTFs, which have become an important source of funding for joint programmesusing the pass-through modality.

51. Joint Programmes provide the framework for two or more UN organizations to work together for common results. They are particularly useful when organizations deal with cross-sectoral issues, and where they have common national partners, and/or work in the same geographical area. However, an essential assumption of JPs is that participating UNDG agencies dispose of start-up human and financial resources required to initiate

_____

[13]The CCPD goes to each Executive Board for approval as the CPD

preparatory activities leading to a joint programme, which is not the case for specialized agencies and some other UN entities.

4) Creation of incentives for UN Country Team to work as team towards agreed upon results

52. UNDG has worked to increase incentives to inter-agency work through performance appraisal instruments as well as RC recruitment and capacity development.

53. RCs have no authority over the resources available to the members of the UNCT mainly because these are mobilized within the specific resource mobilization framework of their agency/organization.

54. Additional funding has had a significant impact in triggering advances in system-wide coherence. Over the past few years, a number of new funding instruments have been established in support of coherence approaches, notably the Spain/UNDP MDG-Fund (MDG-F) as well as the One Fund and the Expanded Funding Window (EFW) at country level. They all placed the RCs at the centre of decision-making and created a new incentive for the UNCT to work together. As of April 2011, the overall commitments to 39 MDTFs administered by UNDP reached nearly $5 billion. In addition, the One Budgetary Framework established in countries adopting the "Delivering as One" approach catalyzes joint mobilization and tracking of resources.

55. Both the One Fund and the EFW were established to support the "Delivering as One" approach, operating on the principle of joint programming. In 2010, "One UN Funds" were operational in 17 countries including the eight "Delivering as One" pilot countries. Total commitments by the four donors (namely, Norway, Spain, UK and The Netherlands) to the EFW are $253 million in 2010. In total, 17 countries benefited from the EFW.

56. Experience in countries which established a "One UN Fund" suggest that it enhanced the strategic role of the RC both in guiding the use of these resources in accordance with the agreed programme, as well as in leading the joint mobilisation of resources[14].

57. The *MDG-F* was established in 2007 by Spain to support achieving key MDGs and related development goals. Its portfolio consisted of $ 618 million that were allocated to 128 programmes in 49 countries. By 2010, all funds committed were disbursed.

58. The novelty of the MDG-F was that it used the RC mechanism for its coordination and management, and the modalities of JPs for its implementation. The MDG-F stimulated inclusiveness through the participation of most UNDG agencies in joint programming and JPs,

_____

[14] Country-led evaluations

but in some cases finding the right balance between inclusiveness and strategic focus remains a challenge.

59. The MDG-F is coming to a close and the resources for the One fund are by no means assured. One of the effects of these funding modalities, namely triggering closer cooperation within the UNCT to help countries address cross-cutting issues under the leadership of the RC is thus disappearing.

4) Establishment of clear accountability

a) Ensuring accountability to governments through improved reporting

60. The 2007 TCPR decided that the RC, supported by the UNCT, should report to national authorities on progress made against results agreed in the UNDAF. UNCTs report to national authorities through dedicated annual review reports and UNDAF progress report[15].

61. Reporting to national authorities is being improved with the adoption by UNDG in 2010 of the new UNDAF guidelines and standard operational format for reporting on UNDAF results. The new guidance envisions that the government and UNCT should conduct an annual review of the UNDAF.

62. The annual review and the preparation of the UNDAF progress report are placed to be under strong national ownership and leadership. UNCTs are to consult national authorities on their expectations on how the UNDAF progress report will be used and how to enhance mutual responsibility between the UN and the government. The report is made available to a range of stakeholders both within national authorities and more widely. It will become the single point of reference on what has been achieved on UNDAF outcomes and the UN's contribution, thereby improving transparency.

b) Ensuring accountability with the UN system

63. The MAS aims to provide a clear framework to ensure that both UNDP's management of the RC system, on behalf of the UN system, and establish a mechanism of mutual accountability between the RC and the UNCT members for development results. The MAS also outlines the roles and responsibilities of all relevant stakeholders in achieving the vision of the RC system.

Overall progress

64. A survey of RCs conducted by UNDP in 2010 showed that the MAS is being implemented in most UNCTs. The majority of RCs (63 per cent) indicated that they

_____

[15] UNDAF Progress Report covers the entire UNDAF cycle

received sufficient information on the MAS during 2009. 63% of UNICEF country offices also reported that the M&A System is functioning reasonably well or very well.

65. Nearly 85 percent of the RCs felt empowered and recognized fully or partially because of the implementation of the MAS. Roughly half of the RCs provided performance assessments of UNCT members as envisaged in the MAS. But only 32 per cent did so as part of a formal process institutionalized by the respective agencies.

66. The MAS nonetheless remains work in progress, with ten per cent of the UNCTs that responded to the Survey having not yet implemented it. Approximately 70 per cent of the RCs access the technical resources of agencies to a certain degree. 26 per cent of RCs feel that UNCT members are not yet reporting to RCs on UNCT-related work. Of the 37% of UNICEF country offices reporting that the MAS was not working well, the majority cited the firewall as the main factor.

67. In addition to the MAS, Framework of Accountability fort the United Nations Security Management System also establishes mutual accountability in the UNCT in relation to staff security issues. The DO is responsible for ensuring that the goal of the UN Security Management System is met in his/her country or area. The head of agencies in the country are responsible for supporting the DO in discharging his/her mandate related to the safety and security of all UN personnel, premises and assets.

Mutual Accountability through mutual performance appraisal

68. Actions are being taken to enhance mutual accountability between the RC and UNCT members through mutual performance appraisal. This requires that RCs and UNCTs agree on the results to be achieved within the UNDAF as a team during a certain time-frame (year) and mutually assess their performance and the achievement of these results.

69. Firstly, the performance of RC/HC/DO and the UNCT is appraised by the Regional UNDG Teams. OCHA, DSS and CEB provide feedback on their respective areas.

70. Secondly, the RC/HC/DO and UNCT members carry out mutual assessment. In addition, the UNCT as a whole is also assessed by RCs and UNCT members across five key attributes of highly performing teams[16]. Following this assessment, coaching is provided, to ensure progress and improvement is achieved.

71. In implementing the MAS, UNDG also agreed to take four measures to reinforce UNCT members' accountability for UNCT agreed results. First, agencies revise the Job Description of resident members of UNCT to reflect the role of the RC in strategically positioning the UN in each country; second, agencies provide information to the RC on resource mobilization and programme implementation performance of any UNDAF/One Programme elements led by the agency; third, the RC provides an assessment of

―――――――――

[16] Acknowledging others, Clear common goals, Positive culture, Transparent group dynamics and Ambition

performance of UNCT members in relation to UNCT as formal input to agency performance approval process; and fourth, agencies include procedures for assessment of UNCT results in their own agency assessment systems. A few agencies have fully implemented these steps and more agencies are preparing for full implementation.

72. The appraisal approach gained support from Regional UNDG Teams, RCs and UNCTs. However, there are requests for improving the process which is perceived as time-consuming[17]. The follow-up to appraisals to address performance gaps needs to be more systematic. The HC assessment is also important.

Ensuring system-wide ownership through the "functional firewall"

73. Besides their other responsibilities, RCs continue to serve as Resident Representatives of UNDP. The need to clearly delineate these two sets of responsibilities has been consistently underscored by Member States and the UN system. The 2007 TCPR requested "the UNDP, within the existing programming arrangement, to appoint country directors to run its core activities, including fundraising, so to assure the RCs are fully available for their tasks". The MAS introduced the concept of a "functional firewall" and clarified the functions of RC and those of UNDP RR.

74. The functional firewall is supported by creating UNDP Country Director and empowering UNDP Deputy Resident Representative (DRR) in other cases. By January 2011, 51 Country Director Posts have been established. The UNDP Country Director is expected to run UNDP country office's core activities, including fund-raising, especially in countries with large country teams or in situations of complex emergencies. This allows RCs to focus on his functions as RC. In 93% of UNCTs, UNDP is now represented by the CD or DRR in UNCT meetings[18].

75. Interviews with RCs also suggest that in cases where the Country Director is established, responsibilities of RC and UNDP RR are better delineated. Under this circumstance, RCs in general do not engage in resource mobilization for UNDP and are perceived as neutral in decision-making on resource allocation. Nevertheless, the RC is still called to deal with UNDP-specific business by the government as the highest authority of UNDP country office. S/he continues to sign off UNDP documents.

76. According to interviews, some RCs see their role as UNDP Resident Representatives as supporting them in exercising their RC function - due to their visibility to a wide range of ministries involved in development. There is some concern that the RC function may be less attractive and less influential without it.

77. The "functional firewall" between RC and RR roles depends on ensuring that:

_____

[17] Reports of UNDG Regional Teams
[18] 2010 UNDP survey of RCs

- the RC is accountable to all members in the UNCT, while continuing to be accountable to UNDP management as RR.

- the separation of the dual role of RCs/UNDP Resident Representatives is ensured in different country situations, including countries with small offices where it has proven challenging.

- the dual role of RCs/UNDP RR is made clear to external partners.

- all UN RCs are familiar with the UN system so that they can fully play their role in programming and resource allocation and mobilization processes for the entire UN system[19].

78. Although the efforts to establish the "functional firewall" are widely recognized, there remain concerns about their efficacy in ensuring the RC's neutrality and impartiality. Some are of the view that establishing a country director or empowered DRR, albeit an improvement, cannot fully address the perceived conflict of interest, which arises among others from the real or perceived overlaps of mandates between UNDP and agencies. There are proposals to consider other mechanisms, for example, rotating the RC function among agencies.

V. Effectiveness of coordination through UNDAF[20]

79. The role of UNDAF in improving UN support to programme countries is important to assess the benefits of the RC system. The benefits of UNDAF may be judged by its impact on, among others, national ownership, strategic focus, coherence, inclusiveness and results. A review of 10 evaluations[21] and mid-term reviews of UNDAFs conducted for this report revealed important findings.

1) National ownership

80. The UNDAF was generally judged to have had a positive effect on national ownership of UN assistance. There is however a tendency for governments to have stronger ownership of sectoral programmes or even entire agency country programmes than they do of the UNDAF. There are also observations that government priorities are sometimes underfunded compared to the issues with more visibility (e.g. HIV/AIDS).

2) Coherence

81. The UNDAF along with Common Country Assessments and joint programming, were generally seen to have contributed to reducing duplication. Areas most prone to coherent action included HIV/AIDS, MDG monitoring, and initiatives at the

---

[19] This is being pursued through an induction process that includes briefing on different agency mandates

[20] This section is based on a study on Cost and Benefits of Coordination, DESA, March 2011. A review of UNDAFs is being conducted by UNDG, which may provide more comprehensive analysis.

[21] Ibid

decentralized level. Duplication and fragmentation of UN activities was however frequently mentioned. It is clear that there is scope to do much more.

82. Theme groups or thematic clusters were found to be an important tool to support coherence in both the planning and the implementation phases.

83. Inconsistencies between the UNDAF and the UN agency country programme results chains were commonly observed. The 2010 UNDG Guidelines on UNDAF and on the optional UNDAF Action Plan aim to address this issue.

3) Strategic focus

84. Some Mid-term UNDAF reviews pinpointed achievements that would not have come about in the absence of an UNDAF, such as with collaboration on a census (in two instances), and on MDGs, a PRSP and HIV/AIDS. Yet others suggested that the UNDAF had made no difference and that UN organizations plan programmes and projects in isolation.

85. Evaluations suggest various remedies. One is to have adequately-resourced programme coordination groups. Others include more focus (fewer outcomes) and more joint programming, and many called for more rigorous, results-based monitoring systems.

4) Inclusiveness

86. RCs report that they endeavour to associate NRAs to the UNDAF preparation process. Some NRAs also initiate such cooperation. Nonetheless, some smaller agencies and NRAs feel over-stretched in responding to such demands. Their participation in UNDAF formulation is hindered by the usually short deadlines entailed by this process.

87. Overall, more work is required to harmonize agency implementing arrangements. Some mid-term reviews of UNDAFs showed that there was clear interest towards a single operational document which contains common outcomes and is based on a clear division of labour among UN agencies.

VI. Strengthening financial and human resources for the Resident Coordinator system

1) Funding of the Resident Coordinator system

a) Increased 2010 funding paralleling UNDAF roll-out and strengthening Regional UNDG Teams

88. UNDP continues to be the primary source of funding for the management of the RC system, with most coming from its core budget and used to support country-level coordination activities. The combined cost of the RC/UNDP RR position and the RC office was $73 million in 2010 (a 4.7% increase), which is fully funded by UNDP core resources. In addition, UNDP

provided $766,000 in support of the eight "Delivering as One" pilot countries[22]. $0.5 million was also allocated to support NRAs focal points in several countries[23] - through a project piloted in 2008-2010. In 2010, $17 million was also provided through the "Support to RC "(SRC) funds, which DOCO allocates to RC offices.

89. Non-core funding is an important supplement to the core funding provided by UNDP. In 2010, the expenditures of the UN country coordination fund were US$33 million, with approximately 46 per cent in support of UNCTs.

90. Financial support to Regional UNDG Teams increased significantly to $1.2 million in 2010, a 28% increase over 2009, in conjunction with the strengthening of regional teams' responsibilities. This is in contrast with funding for the operation of DOCO in 2010, which decreased to $1.7 million, a 14% decrease over 2009.

91. It is widely believed that, with moderate investment, coordination has produced concrete results at the country level in terms of reduced duplication and greater synergy, contributing to enhanced development effectiveness. There is potential to achieve more. In this sense, it can be argued that the resources currently devoted to UN coordination may not be sufficient.

Funding of the RC system by and through the United Nations Development Programme and the United Nations Development Group/ Development Operations Coordination Office, 2005-2009 (Thousands of United States dollars, current prices)

Funding of the RC system and allocation	2005	2006	2007	2008	2009	2010
A. UNDP (regular funds)						
1. UNDP operational support to the RC system						
(a) Core cost of RC/resident representative and RC office[a]	52,132	53,579	61,431	66,766	70,030	73,338
(b) Support to NRAs[b]	—	—	—	556	578	574
(c) Support to Regional UNDG Teams[b]	—	—	—	687	912	1,176
(d) Support to "Delivering as One" pilots[b]	—	—	—	314	1,003	766
(e) Support to Development Operations Coordination Office/headquarters[c]	1,372	1,604	1,717	1,765	1,994	1,723
2. Support to RC funds (allocated and monitored through the Development Operations Coordination Office[d]	14,264	13,193	12,687	15,635	16,796	16,970
Total A	**67,768**	**68,376**	**75,835**	**85,723**	**91,313**	**94,547**

_____

[22] No additional funding support was provided to countries that have voluntarily adopted the Delivering as One approach.
[23] From 2008 to 2010 (inclusive) UNDP provided a total of $1.7 million

(Percentage increase over previous year)		0.89%	9.84%	11.53%	6.12%	3.42%
B. UNDP/Development Operations Coordination Office (funds raised from donors through United Nations Country Coordination Fund)						
1. Support to Development Operations Coordination Office/headquarters, United Nations System Staff College[e]	6,961	7,191	9,445	10,181	11,264	14,912
2. Support to Regional UNDG Teams	—	—	200	517	255	1,066
Allocated to RC offices						
3. Support to United Nations country teams	—	2,063	3,498	9,217	10,630	9,105
4. Additional support to post-crisis United Nations country teams	2,119	3,531	3,325	4,440	4,894	5,937
5. Support to "Delivering as One" pilots and countries that have voluntarily adopted that approach	—	—	—	1,250	1,200	2,000
Total B	**9,080**	**12,785**	**16,468**	**25,605**	**28,243**	**33,020**
(Percentage increase over previous year)		**28.98%**	**22.36%**	**35.68%**	**9.34%**	**16.91%**
Total RC system support from/through UNDP	**76,848**	**81,161**	**92,303**	**111,328**	**119,556**	**127,567**
Percentage donor funding (B) to total RC system support	**11.82%**	**15.75%**	**17.84%**	**23.00%**	**23.62%**	**25.88 %**

Source: UNDP, United Nations Development Group/Development Operations Coordination Office.

a This amount includes the aggregated cost of UNDP support to the coordination function at the country office level (including share of salary of the RC/resident representative and operational and administrative support costs) and represents 27 per cent of a UNDP country office cost, based on workload survey in 2009.

b Prior to 2008, support to non-resident organizations, regional director teams and "Delivering as one" pilots (where relevant) was aggregated and included in the core cost of the RC/resident representative and the RC's office. This item includes funding for 14 national coordination analysts and six regional coordination specialists assigned to United Nations Development Group regional teams.

c Total management allocations: cost of posts plus general operating expenditures.

d In accordance with UNDP/UNFPA Executive Board decision 95/23, UNDP has also allocated programme support to RCs (support to RC funds) from its programming arrangements. This provides seed money to strengthen country-level coordination and allow RCs to respond quickly to opportunities for system-wide collaboration in response to national priorities, including for recovery and transition.

e Prior to 2008, support to regional director teams (item B.2), support to United Nations country teams (itemB.3) and support to "Delivering as one" pilots (item B.5), where relevant, was aggregated and included within the support to the Development Operations Coordination Office/headquarters (item B.1).

b) Burden-sharing remains limited

92. The 2007 TCPR called upon the UN system to provide further financial, technical and organizational support for the RC system and ensure the RCs have the necessary resources to fulfil their role effectively. The support UNDG organizations can give to the functioning of the RC system depends on their policies and funding models. Most members of the UNCT provide support through dedicated staff time to support and lead thematic groups.

93. However, agencies reported an increase in requests from RCs to the UNCTs for funding activities and capacities of RC Offices. This may point to inadequate resourcing for that function.

94. While UNCT members contribute staff time to the work of the RC office, interviews with the RCs suggested that they generally do not contribute to the administrative costs of the RC office. Cost-sharing exists for joint programming-oriented activities (e.g. assessments and retreats for UNDAF preparation, joint advocacy and communication). More broadly, agencies contribute to inter-agency work in support of the RC system. While cost-sharing is important, there is a consensus that the RC office should remain lean and rely on agencies' capacities.

95. RCs are better supported when dealing with political, humanitarian and security issues. In these cases, they receive support from OCHA, DSS and DPA in the form of missions and in some cases additional staff in the RC's Office, for example, dedicated DSS personnel in the field and senior advisors at DSS HQ.

c) Measuring cost of the RC system is challenging

96. The costs of the RC System are composed of several components. Some of them are reported in the budgets of UNDP and UNDG/DOCO. Others are indirect and are incurred by the members of UNCTs at country level, in addition to the support by the regional/headquarters offices of each of the UNDG agencies. UNDP conducts a regular (every two years) survey of coordination cost according to which about 27 per cent of UNDP country office costs funded from the regular resources of UNDP's biennial support budget is spent on UN development coordination. A recent preliminary study[24] on cost and benefits of coordination suggests that coordination costs are $237.5 million annually and around 3 per cent of UN country programmable resources in 2009.[25]

97. These costs would need to be set against the benefits from the RC system, many of which were outlined in the earlier sections. But neither of them can be easily tracked due to the

_____

[24] Cost and Benefits of Coordination, preliminary findings, DESA, March 2011

[25] It includes 1) cost of UNDP and DOCO for the RC system, 2) cost of the CEB secretariat and 3) estimates for the cost of agencies other than UNDP at country, headquarters and regional level, including a rough costing of time spent by staff in activities for UNDG, HLCP and HLCM.

inherent difficulties in assessing and quantifying these dimensions and in the absence of harmonized accounting, budgeting and reporting standards throughout the UN system.

2) Recruitment and career development of RCs

98. Recent years saw incremental increase in the number of RCs from non-UNDP agencies. In 2010, 36 per cent come from non-UNDP agencies, compared to circa 27 per cent in 2005[26]. The experience serving as a RC in some cases has improved their career prospect in their organizations. However, the return of former RCs to their organizations of origin at a level equivalent to that of the RC is not guaranteed in most cases. At the same time, the increase in the number of non-UNDP RCs has implications for career development of UNDP staff, as RCs also serve as UNDP RRs.

99. There has been improvement in gender balance and geographical balance among RCs, although more progress is needed. At the end of 2010, 35 per cent were female, compared with 23 per cent in 2000. In the same period, the number of RCs from developing countries increased from 37 per cent in 2000 to 52 per cent in 2010.

100. According to a 2009 UNDG assessment, there has been a notable decrease in the number of applicants for the RC post,[27] and consequently fewer nominations for RC vacancies. Several reasons account for that decrease. First, the level of authority given to the RCs is perceived as inadequate by some potential candidates, in view of their complex and heavy responsibilities and accountabilities. Secondly, heavy demands of the job (i.e. including the multiple roles of the RCs) are not matched with sufficient support.

101. UNDG has developed an action plan to help attract, develop and retain candidates to the RC pool, including a set of short, medium and longer term targets. One of the steps is to make the assessment of potential candidates more rigorous through the RC Assessment Centre.

102. UN system-wide ownership of the RC system requires full involvement of the entire UN system, including the UN Secretariat, in the design and implementation of RC training and briefing programmes. Since 2007, the RC induction training has included briefings at the headquarters of Europe-based agencies with their financial support. The induction programme is being changed from an agency-based to a thematic approach, where agencies contribute to themes of their concern. The benefits of this approach in familiarizing the RC with the whole UN system should be assessed.

VI. Issues to be addressed in preparation for the 2012 QCPR

1) Achievements

_____

[26] This does not include those coming to the UN system externally

[27] The pool comprises candidates who have passed the assessment to become RCs but are not yet appointed.

103. The growing complexity and cross-cutting nature of challenges confronting developing countries, from the impact of the global economic crisis to sustainable development , require more than ever coherent UN system support.

104. 2010 saw the implementation of a range of tools and instruments regarding the RC System to operationalize the decisions of the GA and ECOSOC to improve the coherence and effectiveness of UN operational activities.

105. The most important achievements include the implementation of the *Management Accountability System*, the concomitant gradual empowerment of the RC, and the enhancement of system-wide ownership of the RC System. The lead role of the RC in the UNDAF development and implementation and within the UNCT has been confirmed. The reorganization of the architecture of the RC System as well as the focus of the entire UN system on the strategic priorities agreed by UNDG for 2010/2011 provided it with a clear strategic vision inspired from the TCPR. The MAS also further streamlined the RC system overall management and oversight.

106. The impact of most of these measures needs to be kept under review in 2011-2012 when a large number of new UNDAFs are developed.

2) Risks and challenges

107. Despite many advances, there remain systemic constraints to the role of the RC. Without authority over enhanced level of programme resources, the RC's lead role and capacity in influencing the UNDAF content is weakened; the content of UNDAFs remain closely defined by the mandates of UNCT members. Some of these issues can only be resolved through looking at governance issues at UN system level and are beyond the scope of UNDG agencies.

108. Other critical factors in empowering RCs have been Joint Programming and Joint Programmes spurred by the MDG-F, and MDTFs such as the Expanded Funding Window (EFW) and One UN Country Funds. These resources are instrumental in particular for engaging the NRAs in the UNDAF process. However, the future of the MDG-F and the EFW is uncertain as is continued funding for the One Fund. There is the risk that RCs will have access to unearmarked resources only within the context of consolidated appeals in support of humanitarian assistance.

109. In the current situation, success of RCs continues to depend on their personal competencies and credibility to lead the UNCT impartially and collegially.

110. There is a need to review and strengthen the link between agency specific instruments such as CPDs and CPAPs, with the new UNDAF, and UNDAF Action Plan – where they exist- and to ensure appropriate sequencing, in order to strengthen coherence and avoid duplication and overlap. The impact of innovative instruments developed under the "DaO" approach, e.g. the

one programme, one fund, one budgetary framework, UN Development Assistance Plan and CCPD will be assessed as part of the independent evaluation of "DaO".

111. With the firewall established by *Management Accountability System*, an effort is being made to address potential issues such as the conflict of interest between the functions of UN RC and UNDP Resident Representative. The effectiveness of this "functional firewall" depends on the size of the UNCT, its integration of the concept of mutual accountability, and the magnitude of UN activities in a country[28]. It also hinges on the engagement of the RC on system-wide issues compared to agency-specific issues, and his/her personal attributes in engaging and empowering others. Of critical importance is whether s/he is trusted as a collegial, neutral and accountable leader of the team, fully knowledgeable about the UN system.

112. The increasing ownership of the UN RC System brings with it growing expectations and thus workload for the RC and the RC Office. This shift in roles and responsibilities has been acknowledged in UNDG recent tools and instruments that envisage an enhanced role for the RC within the UNCT. It is not reflected, however, in the resources made available to the RCs which have remained essentially unchanged with the exception of the Delivering-as-One pilots.

113. The RC's role has evolved from that of coordinator of the UN operational activities for development to a range of other areas including lead responsibilities in integrated mission under an SRSG. These political and humanitarian functions reinforce the leadership of the RC in coordinating development-oriented activities.

3) Recommendations

114. The Council may wish to:

 i. Encourage the Secretary-General, in consultation with UNDG, in preparing the QCPR, to identify ways to maximize the impact of recent reorganizations of the RC system on the coherence and effectiveness of UN system support to Member States, building on the independent evaluations;

 ii. Urge UNDG agencies to implement the recent reform measures to ensure ownership of the RC System and the related mutual accountability between RCs and UNCTs envisaged in the *Management and Accountability System*;

 iii. Encourage the SG, in preparing the QCPR, to conduct a review of UNDAFs to assess their alignment with national priorities and focus on MDG results as well as to evaluate effectiveness of the UNDAF process, building on the work of the UNDG;

—————————————

[28] Having a country director in UNCTs with very small operations may not be cost-effective

iv. Encourage UN system organizations to work with the RC to improve the linkages between UNDAFs and their agency-specific programming and project documents, taking into consideration their specialized mandates and business models;

v. Invite the UNDG to further enhance the instruments and tools facilitating efficient, effective and inclusive UN support to programme countries, such as Joint Programming;

vi. Invite the UNDG to ensure that coordination and programming instruments such as the UNDAFs are flexible enough to respond to various country situations notably in Middle Income Countries, Net Contributing Countries and smaller countries, based on the principles of national ownership and leadership.

vii. Invite the Secretary-General, in preparing the QCPR, to analyze the role of the existing funding modalities, including MDTFs, in helping programme countries to deal with cross-cutting development issues, and in supporting the central role of the RC in country-level coordination – and to make any recommendation to further improve these modalities;

viii. Invite the UNDG to conduct a review of existing funding modalities in support of the RC system, including those used by DPA, DSS and OCHA and come up with actionable proposals to improve the availability of funds to the RC, to be reported by the Secretary-General to ECOSOC;

ix. Encourage HLCM and UNDG to review regulations related to human resources and inter-agency staff mobility to ensure that they do not put at a disadvantage the careers of staff members from the UN System who serve as RCs, and to support staff members applying for RC assessment;