THE PRESIDENT
OF THE
GENERAL ASSEMBLY

20 February 2009

Excellency,

I have the honor to refer to General Assembly resolution 62/277 of 7 October 2008 on System-wide Coherence which was adopted by consensus on 15 September 2008.

I am pleased to announce my decision to appoint the Permanent Representative of the Republic of Namibia, H.E. Mr. Kaire Munionganda Mbuende, and the Permanent Representative of Spain, H.E. Mr. Juan Antonio Yáñez-Barnuevo, as Co-chairpersons to facilitate the process of consultations on System-wide Coherence. It is my expectation that with the support of Member States substantive progress can be achieved during the sixty-third session.

I take this opportunity to thank the Co-chairpersons for kindly accepting this responsibility.

Please accept, Excellency, the assurances of my highest consideration.

Miguel D'Escoto Brockmann

All Permanent Representatives
and Permanent Observers
to the United Nations.

Permanent Mission of the Republic of Namibia
to the United Nations
360 Lexington Avenue, Suite 1502
New York, N.Y. 10017

Permanent Mission of Spain to the United Nations
One Dag Hammarskjöld Plaza
245 East 47th Street, 36th Floor
New York, N.Y. 10017

All Permanent Representatives
and Permanent Observers
to the United Nations

10 March 2009

Excellency,

As you will be aware, on 20 February 2009 the President of the General Assembly appointed us as Co-Chairs to facilitate the process of consultations on the System-wide Coherence. In his letter of appointment, the President of the General Assembly expressed his expectation that substantive progress would be achieved on System-wide Coherence during the 63rd session of the General Assembly.

In exercise of the mandate that has been conferred on us, it is our purpose to take this issue forward in a results oriented manner and consistent with General Assembly resolution 62/277, adopted by consensus on 15 September 2008.

To that end, we are pleased to convene a first informal meeting of Member States on 13 March, at 10.30 am, at the ECOSOC Chamber. The Secretary-General will address Member States on this occasion.

Please accept, Excellency, the assurances of my highest consideration.

Kaire M. Mbuende
Permanent Representative of Namibia

Juan Antonio Yáñez-Barnuevo
Permanent Representative of Spain

THE PRESIDENT
OF THE
GENERAL ASSEMBLY

13 March 2009

Excellency,

I have the honour to forward to you the paper entitled “Further Details on Institutional Options for Strengthening the Institutional Arrangements for Support of Gender Equality and the Empowerment of Women” prepared by the Secretary-General in response to the General Assembly resolution on System-wide Coherence (A/RES/62/277).

I would like to express my sincere appreciation to the Deputy Secretary-General for conducting consultations for the preparation of the present paper. I also look forward to receiving the papers on the issues of Funding and Governance as soon as they are ready.

I would also encourage all Member States to actively participate in the forthcoming consultations, lead by the Co-chairs, H. E. Mr. Kaire Munionganda Mbuende, Permanent Representative of Namibia, and H.E. Mr. Juan Antonio Yañez-Barnuevo, Permanent Representative of Spain, during the sixty-third session.

Please accept, Excellency, the assurances of my highest consideration.

Miguel d'Escoto Brockmann

All Permanent Representatives
And Permanent Observers to the United Nations
New York

Permanent Mission of the Republic of Namibia
to the United Nations
360 Lexington Avenue, Suite 1502
New York, N.Y. 10017

Permanent Mission of Spain to the United Nations
One Dag Hammarskjöld Plaza
245 East 47th Street, 36th Floor
New York, N.Y. 10017

All Permanent Representatives
and Permanent Observers
to the United Nations

19 March 2009

Excellency,

As delegations may recall, on 13 March we held the first plenary informal consultations on System-wide Coherence after our appointment as Co-Chairs of the process by the President of the General Assembly in his letter dated 20 February. We would like to take this opportunity to thank all delegations for their active participation in the first informal consultations and for the statements made during that meeting. We would also like to express our gratitude to the Secretary-General for his important and substantive participation on that occasion. We look forward to working closely with him and the Secretariat in order to address the issues at stake in a timely manner.

The Co-Chairs and the Secretariat took note of the questions raised during the first plenary informal consultations. They will be addressed in due course during our future consultations on the issues identified by General Assembly resolution A/RES/62/277.

As regards the following stages of the process, during the meeting on 13 March we expressed our intention to convene informal consultations to discuss the documents requested by General Assembly resolution A/RES/62/277 as they are provided by the Secretary-General.

We are pleased to convene the next plenary informal consultations on System-wide Coherence on Monday 30 March 2009. The purpose of the meeting will be to discuss the paper entitled "Further Details on Institutional Options for Strengthening the Institutional Arrangements for Support of Gender Equality and the Empowerment of Women", prepared by the Secretary-General in response to General Assembly resolution A/RES/62/277 and transmitted by the President of the General Assembly to all delegations on 13 March. Details on organizational arrangements of the meeting will appear in the Journal in due course.

As requested by operative paragraph 5 of General Assembly resolution A/RES/62/277, the document submitted by the Secretary-General provides further detailed modalities in respect of the four options outlined by the Deputy Secretary-General in her paper of 23 July entitled "Institutional Options for Strengthening the Institutional Arrangements for Support of Gender Equality and the Empowerment of Women". Also, as requested by operative paragraph 5 of General Assembly resolution A/RES/62/277, the paper submitted by the Secretary-General focuses in particular on the "Composite entity" and, in its "Findings and Conclusions" section, it states that the "Composite entity has the greatest potential to address the identified challenges and carry out the functions set forth in paragraph 9" of the document.

The purpose of the informal consultations on 30 March is to carry forward the work on the reform of the gender architecture already undertaken during the sixty-second session of the General Assembly, with a view to facilitating substantive action by the General Assembly during its sixty-third session. Therefore, the Co-Chairs would like to have focused and action-oriented discussions on 30 March, particularly concentrated on the "Findings and Conclusions" and the "Proposed Way Forward" sections of the document under consideration.

Finally, as we indicated during the consultations on 13 March, we intend to conduct this process in an open, transparent and inclusive manner. As it has been the practice in the past, all documents relevant to this process, including our letters and speeches, will be available in the following internet address: http://www.un.org/ga/president/63/issues/swc

We look forward to having constructive and focused discussions in order to build consensus and achieve substantive progress on the important issues before us.

Please accept, Excellency, the assurances of our highest consideration.

Kaire M. Mbuende
Permanent Representative of Namibia

Juan Antonio Yáñez-Barnuevo
Permanent Representative of Spain

Permanent Mission of the Republic of Namibia
to the United Nations
360 Lexington Avenue, Suite 1502
New York, N.Y. 10017

Permanent Mission of Spain to the United Nations
One Dag Hammarskjöld Plaza
245 East 47th Street, 36th Floor
New York, N.Y. 10017

7 April 2009

All Permanent Representatives
and Permanent Observers
to the United Nations

Excellency,

As delegations may recall, on 30 March and 1 April the second plenary informal consultations took place in order to consider the paper entitled "Further Details on Institutional Options for Strengthening the Institutional Arrangements for Support of Gender Equality and the Empowerment of Women", prepared by the Secretary-General and transmitted by the President of the General Assembly to all delegations on 13 March. The Co-Chairs take this opportunity to thank delegations for their active participation and all the statements made during the second plenary informal consultations.

During the substantive and interesting meetings held last week, the Co-Chairs took note of the comments and questions expressed by numerous delegations about the paper submitted by the Secretary-General in response to operative paragraph 5 of General Assembly resolution A/RES/62/277, in particular regarding the option of the "composite entity". In order to respond to those comments and questions, carry forward the work on the reform of the gender architecture and build consensus among Member States on this matter, on Wednesday 15 April the Co-Chairs will convene a working-level interactive session of Member States with representatives of the United Nations system involved in the elaboration of the Secretary-General´s paper on the reform of the gender architecture.

The meeting will take place in conference room 3 from 3 to 6 pm.

We look forward to a constructive and fruitful dialogue between Member States and the United Nations system next week in order to pave the way for substantive action on this important matter by the General Assembly during its sixty-third session.

Please accept, Excellency, the assurances of our highest consideration.

Kaire M. Mbuende
Permanent Representative of Namibia

Juan Antonio Yáñez-Barnuevo
Permanent Representative of Spain

THE PRESIDENT
OF THE
GENERAL ASSEMBLY

16 April 2009

Excellency,

As the process of consultations on system-wide coherence has started, I have the honour to forward to you the paper entitled "Strengthening governance of operational activities for development of the United Nations system for enhanced system-wide coherence", prepared by the Secretary-General in response to General Assembly resolution 62/277 on System-wide Coherence.

I would like to thank again the Deputy Secretary-General for preparing the paper in close consultation with United Nations funds, programmes and specialized agencies. I also look forward to receiving the paper on Funding in the forthcoming days.

I am confident that consultations have been well-attended by all Member States, led by the Co-chairs, H. E. Mr. Kaire Munionganda Mbuende, Permanent Representative of Namibia, and H.E. Mr. Juan Antonio Yañez-Barnuevo, Permanent Representative of Spain.

Please accept, Excellency, the assurances of my highest consideration.

Miguel d'Escoto Brockmann

All Permanent Representatives
and Permanent Observers
to the United Nations
New York

Permanent Mission of the Republic of Namibia
to the United Nations
360 Lexington Avenue, Suite 1502
New York, N.Y. 10017

Permanent Mission of Spain to the United Nations
One Dag Hammarskjöld Plaza
245 East 47th Street, 36th Floor
New York, N.Y. 10017

All Permanent Representatives
and Permanent Observers
to the United Nations

17 April 2009

Excellency,

As you may recall, in our first plenary informal consultations on System-wide Coherence on 13 March, we shared with delegations our intention to conduct plenary informal consultations on the papers requested by the General Assembly resolution A/RES/62/277 as they are provided by the Secretary General.

On 17 April the paper entitled "Strengthening governance of operational activities for development of the United Nations system for enhanced system-wide coherence" was transmitted to Member States. We are therefore pleased to convene plenary informal consultations on that paper on **Friday 24 April from 10.00h to 13.00h in the ECOSOC Chamber.** Details on organizational arrangements of the meeting will appear in the Journal in due course. The Deputy Secretary-General, Mrs. Migiro, will address the meeting and present the paper.

In that perspective, we would like to recall that on the issue of Governance, the conclusions and recommendations of our predecessors, the Permanent Representatives of Ireland and Tanzania (as attached to the resolution A/RES/62/277), were as follows:

"As for intergovernmental governance at the central level, we have detected no palpable appetite in the General Assembly for establishing new intergovernmental bodies, including the putative Sustainable Development Board which was recommended by the High-Level Panel. At the same time the new realities emerging from a growing number of developing countries applying the "Delivering as one" approach at the country

level will need to be accommodated and addressed more effectively by the existing boards and not least by the Economic and Social Council. In the light of the ongoing and emerging nature of the "Delivering as one" approach, it may be necessary to continue and to deepen discussion of these issues during the sixty-third session".

In order to continue and deepen the discussions on Governance during the 63rd session, it is our understanding that this process should remain focused on the United Nations operational activities for development, always bearing in mind that our ultimate goal is to improve the effectiveness of the delivery of development assistance.

In this endeavor, one of our main tasks will be how to deal effectively with the impact that current developments in the field can have at Headquarters' level. The important consensus reached on the Triennial Comprehensive Policy Review (TCPR) resolution A/RES/62/208 should always remain a critical reference in our debates. Finally, in order to have focused and results-oriented discussions on 24 April, we encourage delegations to concentrate their attention on the section of the paper entitled "Possible options for way forward".

Last but not least, we have been informed by the Secretariat that the paper on Funding should be ready by the end of April. Upon the release of the paper, plenary informal consultations of the General Assembly will be convened as appropriate.

We look forward to a positive and fruitful discussion next Friday.

Please accept, Excellency, the assurances of our highest consideration.

Kaire M. Mbuende
Permanent Representative of Namibia

Juan Antonio Yáñez-Barnuevo
Permanent Representative of Spain

Permanent Mission of the Republic of Namibia
to the United Nations
360 Lexington Avenue, Suite 1502
New York, N.Y. 10017

Permanent Mission of Spain to the United Nations
One Dag Hammarskjöld Plaza
245 East 47th Street, 36th Floor
New York, N.Y. 10017

All Permanent Representatives
and Permanent Observers
to the United Nations

4 May 2009

Excellency,

As delegations may recall, on 24 April plenary informal consultations took place in order to consider the discussion note entitled "Strengthening governance of operational activities for development of the United Nations system for enhanced system-wide coherence", prepared by the Secretary-General and transmitted by the President of the General Assembly to all delegations on 17 April. The Co-Chairs take this opportunity to thank delegations for their active and constructive participation and for all the statements made during the consultations.

During that meeting delegations requested further in-depth discussions on the issues covered by the note prepared by the Secretary-General, in particular proposals for further strengthening of ECOSOC, including implications for intergovernmental bodies in the area of operational activities for development; the interface between intergovernmental bodies and inter-agency mechanisms; and the strengthening of nationally-owned common country programming.

In order to deal with the questions and comments raised on 24 March and carry forward the work on this matter, on **Friday 8 May** the Co-Chairs will convene an expert-level interactive session of Member States with representatives of the United Nations system bodies involved in the elaboration of the Secretary-General's discussion note on governance. The meeting will take place from **3 to 6 pm** in **Conference Room 3**.

Furthermore, during the plenary informal consultations held on 24 April the Co-Chairs noted that many delegations signaled the need to include current developments in the field in the ongoing discussions on governance of operational activities, in particular the "Delivering as One" approach. The Co-Chairs consider the field dimension as an integral part of the governance debate and intend to convene a future meeting on that matter in due course.

We look forward to a fruitful and constructive dialogue between Member States and representatives of the United Nations system bodies next week in order to pave the way for substantive action by the General Assembly during its sixty-third session.

Please accept, Excellency, the assurances of our highest consideration.

Kaire M. Mbuende
Permanent Representative of Namibia

Juan Antonio Yáñez-Barnuevo
Permanent Representative of Spain

THE PRESIDENT
OF THE
GENERAL ASSEMBLY

8 May 2009

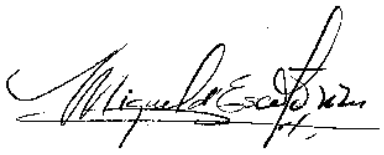
Excellency,

I have the honour to forward to you the last of the three substantive papers entitled “Strengthening the system-wide funding architecture of operational activities of the United Nations for development”, prepared by the Secretary-General in response to the General Assembly resolution on System-wide Coherence (A/RES/62/277).

I would like to express my gratitude to the Secretary-General, as well as the Deputy Secretary-General, for preparing all the papers and continuing their active commitment to advancing the work of the General Assembly in this important area.

I would encourage Member States for their active participation in all consultations convene by the Co-chairs, H. E. Mr. Kaire Munionganda Mbuende, Permanent Representative of Namibia, and H.E. Mr. Juan Antonio Yañez-Barnuevo, Permanent Representative of Spain.

Please accept, Excellency, the assurances of my highest consideration.



Miguel d'Escoto Brockmann

All Permanent Representatives
And Permanent Observers to the United Nations
New York

Permanent Mission of the Republic of Namibia
to the United Nations
360 Lexington Avenue, Suite 1502
New York, N.Y. 10017

Permanent Mission of Spain to the United Nations
One Dag Hammarskjöld Plaza
245 East 47th Street, 36th Floor
New York, N.Y. 10017

All Permanent Representatives
and Permanent Observers
to the United Nations

13 May 2009

Excellency,

As you may recall, in our first plenary informal consultations on System-wide Coherence on 13 March, we shared with delegations our intention to conduct plenary informal consultations on the papers requested by the General Assembly resolution A/RES/62/277 as they are provided by the Secretary General.

On 11 May the paper entitled "Strengthening the system-wide funding architecture of operational activities of the United Nations for development" was transmitted to Member States. We are therefore pleased to convene plenary informal consultations on that paper on **Tuesday 19 May from 10.00h to 13.00h in Conference Room 2.** Details on organizational arrangements of the meeting will appear in the Journal in due course. The Deputy Secretary-General will address the meeting and present the paper.

In that perspective, we would like to recall that, in his remarks at the first informal plenary meeting on System-wide Coherence held on 13 March, the Secretary General underlined that the complexity of the United Nations funding mechanisms makes it difficult to promote efficiency, effectiveness and coherence at the country level. This is also one of the main conclusions of the 2006 High-Level Panel on System-wide Coherence. The Secretary General also underlined that one of the objectives underpinning the funding system should be a closer link between funding and objective measures of performance of the United Nations development system.

As delegations know, that objective is also a key element of the General Assembly consensus around the issue of Funding (as reflected in the General Assembly resolution 62/208). The General Assembly has repeatedly recognized the mutually reinforcing links between increased effectiveness, efficiency and coherence of the United Nations development system, achieving concrete results in assisting countries to eradicate poverty and the overall resources of the United Nations development system.

Furthermore, we would also like to recall the main conclusions of our predecessors, the Permanent Representatives of Ireland and Tanzania, on the issue of Funding (Annex to General Assembly resolution 62/277), namely that "there needs to be greater flows and greater predictability in funding" and also that "there needs to be a significantly improved balance between core and non-core funding".

In order to continue and deepen the discussions on Funding during the 63rd session, it is our understanding that delegations should remain focused on the System-wide Coherence context and the United Nations operational activities for development, always bearing in mind the interlinkages with the issue of Governance, and that our ultimate purpose is to improve the effectiveness of the delivery of development assistance.

We look forward to a positive and fruitful discussion next Tuesday.

Please accept, Excellency, the assurances of our highest consideration.

Kaire M. Mbuende
Permanent Representative of Namibia

Juan Antonio Yáñez-Barnuevo
Permanent Representative of Spain

Permanent Mission of the Republic of Namibia
to the United Nations
360 Lexington Avenue, Suite 1502
New York, N.Y. 10017

Permanent Mission of Spain to the United Nations
One Dag Hammarskjöld Plaza
245 East 47th Street, 36th Floor
New York, N.Y. 10017

All Permanent Representatives
and Permanent Observers
to the United Nations

15 May 2009

Excellency,

As delegations may recall, on 15 April Member States held an interactive meeting with representatives of the United Nations system involved in the elaboration of the Secretary-General´s document entitled "Further Details on Institutional Options for Strengthening the Institutional Arrangements for Support of Gender Equality and the Empowerment of Women". During that meeting, a number of delegations requested the United Nations bodies involved in the elaboration of the Secretary-General´s document to provide supplementary information in writing in response to the questions and comments raised by Member States in the course of the interactive meeting. This supplementary information will be transmitted to Member States on 18 May.

It is therefore the intention of the Co-Chairs to convene another interactive meeting with representatives of the United Nations bodies involved in the process of strengthening institutional arrangements for support of gender equality and the empowerment of women. The meeting will take place on **Wednesday 20 May from 3 to 6 pm in the ECOSOC Chamber.** In this regard, the Co-Chairs would like to remind delegations that the supplementary information to be considered in the interactive meeting next Wednesday complements the Secretary-General´s four previous submissions to the General Assembly. For ease of reference, all these documents are available on the web (www.un.org/ga/president/63/issues/swc.shtml).

After the interactive meeting on 20 May, the Co-Chairs will work on an executive summary based on the current status of the discussions and containing some recommendations on the way forward with the ultimate goal of achieving consensus on this issue.

We look forward to having a constructive and fruitful dialogue between Member States and the United Nations representatives next week in order to pave the way for substantive action on this important matter by the General Assembly during its sixty-third session.

Please accept, Excellency, the assurances of our highest consideration.

Kaire M. Mbuende
Permanent Representative of Namibia

Juan Antonio Yáñez-Barnuevo
Permanent Representative of Spain

Permanent Mission of the Republic of Namibia
to the United Nations
360 Lexington Avenue, Suite 1502
New York, N.Y. 10017

Permanent Mission of Spain to the United Nations
One Dag Hammarskjöld Plaza
245 East 47th Street, 36th Floor
New York, N.Y. 10017

All Permanent Representatives
and Permanent Observers
to the United Nations

29 May 2009

Excellency,

As delegations may recall, on 19 May plenary informal consultations took place in order to consider the discussion note entitled "Strengthening the system-wide funding architecture of operational activities of the United Nations for development", prepared by the Secretary-General and transmitted by the President of the General Assembly to all delegations on 11 May. The Co-Chairs take this opportunity to thank delegations for their constructive participation and for all the statements made during the consultations.

During that meeting delegations requested further detailed discussions on the issues covered by the note prepared by the Secretary-General, in particular those related to the trends on funding of UN operational activities for development, the balance and complementarities between core and non-core funding or the challenges emerging from some of the recommendations in areas like common country funding.

In order to deal with the questions and comments raised on 19 May and carry forward the work on this matter, on **Thursday 4 June** the Co-Chairs will convene an expert-level interactive session of Member States with representatives of the United Nations system bodies involved in the elaboration of the Secretary-General's discussion note on funding. The meeting will take place from **10 am to 1 pm** in the Trusteeship Council Chamber.

Furthermore, during the plenary informal consultations held on 19 May the Co-Chairs noted that many delegations underlined the need to address the governance and the funding dimensions of the UN operational activities for development in a joint manner. The Co-Chairs have taken note of this consideration and intend to convene a meeting on that matter in due course.

Finally, as announced in our letter of 4 May, the Co-Chairs will organize a briefing on the "Delivering as One" approach and related developments on the field on **Monday 8 June from 11 am to 1 pm**. The UNDP Administrator and UNDG Chair, Mrs. Helen Clark, will address the meeting. Details on organizational arrangements of this meeting will appear in the Journal in due course.

We look forward to a fruitful and constructive dialogue next Thursday.

Please accept, Excellency, the assurances of our highest consideration.

Kaire M. Mbuende
Permanent Representative of Namibia

Juan Antonio Yáñez-Barnuevo
Permanent Representative of Spain

Permanent Mission of the Republic of Namibia
to the United Nations
360 Lexington Avenue, Suite 1502
New York, N.Y. 10017

Permanent Mission of Spain to the United Nations
One Dag Hammarskjöld Plaza
245 East 47th Street, 36th Floor
New York, N.Y. 10017

All Permanent Representatives
and Permanent Observers
to the United Nations

1 June 2009

Excellency,

As a follow-up to our letters dated 15 May and 18 May 2009, we are happy to announce that the interactive meeting on Gender which was regrettably postponed at the last meeting on 20 May 2009 will take place on **Monday 8 June, from 3 to 6 pm, in Conference Room 1**. A summary of the supplementary information prepared by the Secretary-General in response to questions raised by Member States on 15 April regarding the strengthening of institutional arrangements for support of gender equality and the empowerment of women will be transmitted to Member States prior to the meeting. Additional information will be provided by the Secretariat during a presentation at the meeting.

We look forward to having a constructive and fruitful dialogue between Member States and representatives of the relevant United Nations bodies, in order to pave the way for substantive action on this important matter by the General Assembly during its sixty-third session.

Please accept, Excellency, the assurances of our highest consideration.

Kaire M. Mbuende
Permanent Representative of Namibia

Juan Antonio Yáñez-Barnuevo
Permanent Representative of Spain

THE PRESIDENT
OF THE
GENERAL ASSEMBLY

4 June 2009

Excellency,

I have the pleasure to forward to you the consolidated response regarding questions raised by Member States on 15 April 2009, following discussions of the paper "Further Details on Institutional Options for Strengthening the Institutional Arrangements for Support to Gender Equality and the Empowerment of Women", especially with regard to a new entity's structure, governance, staffing, funding and the relationships between the entity and intergovernmental bodies.

During the interactive meeting on Gender, that will take place on Monday 8 June, from 3 to 6 pm, in Conference Room 1, a power point presentation will supplement the consolidated response prepared by the Secretary-General.

I would like to take the opportunity to reiterate my appreciation to the Co-chairs, H. E. Mr. Kaire Munionganda Mbuende, Permanent Representative of Namibia, and H.E. Mr. Juan Antonio Yañez-Barnuevo, Permanent Representative of Spain, all Member States and the United Nations entities for building the path way for sincere dialogues that will facilitate the process to take action on this important matter by the General Assembly during its sixty-third session.

Please note that the consolidated response document is also available on the official website of the President of the General Assembly.

Please accept, Excellency, the assurances of my highest consideration.

Miguel d'Escoto Brockmann

All Permanent Representatives
and Permanent Observers
to the United Nations
New York

Permanent Mission of the Republic of Namibia
to the United Nations
360 Lexington Avenue, Suite 1502
New York, N.Y. 10017

Permanent Mission of Spain to the United Nations
One Dag Hammarskjöld Plaza
245 East 47th Street, 36th Floor
New York, N.Y. 10017

All Permanent Representatives
and Permanent Observers
to the United Nations

12 June 2009

Excellency,

As part of our program of work, in the last four weeks two informal consultations, two interactive meetings and a briefing on "Delivering as One" took place in order to address the Secretary General's discussion notes on Governance and Funding of the United Nations operational activities for development. The Co-Chairs take this opportunity to thank delegations for their active participation and constructive spirit in those meetings.

As foreseen in our letter of 29 May, and in response to requests expressed by many delegations, the Co-Chairs will convene an additional expert-level interactive session of Member States with relevant representatives of the United Nations system in order to address the Governance and Funding dimensions in an integrated manner. The meeting will take place on **Wednesday 17 June** from **3 pm to 6 pm** in the Trusteeship Council Chamber.

In order to prepare that meeting, we would like to remind all delegations that the overarching TCPR consensus should always constitute a key reference in our deliberations. Furthermore, and with a view to facilitating the discussion during that meeting, we are attaching the following documents (also available at http://www.un.org/ga/president/63/issues/swc.shtml):

- A table containing the interface between the recommendations proposed on the two Secretary-General's discussion notes on Governance and Funding.
- A list of possible questions for the consideration of Member States during the discussion on 17 June.
- For ease of reference, a copy of the statements delivered by Ms. Helen Clark, Chair of UN Development Group, and Mr. Nikhil Seth, Director, Office for ECOSOC Support and Coordination (UNDESA), during our previous meetings.

We look forward to a fruitful and constructive dialogue next Wednesday.

Please accept, Excellency, the assurances of our highest consideration.

Kaire M. Mbuende
Permanent Representative of Namibia

Juan Antonio Yáñez-Barnuevo
Permanent Representative of Spain

SOME QUESTIONS ON GOVERNANCE AND FUNDING OF UNITED NATIONS OPERATIONAL ACTIVITIES FOR DEVELOPMENT

1. What are the key determinants in fostering synergy between measures to strengthen the governance and funding architecture of UN development cooperation at (a) country, (b) organizational, and (c) system-wide level?
2. How can governance be changed/improved to increase the capacity of the UN to attract funding, while at the same time allowing Member States to jointly and equitably participate in the governance of the operational system?
3. Can common programming, common budgeting and common funding at country-level strengthen national ownership and leadership of UN development cooperation? What is the likely impact of this arrangement on the quantity and quality of funding flows?
4. Can common programming, common budgeting and common funding at country-level enhance the efficiency, transparency and accountability in the delivery of UN development cooperation? If so, would this translate into increased quantity and quality of funding flows?
5. What would be key elements in an effective intergovernmental review process of common country programmes? Could this intergovernmental review role be performed by (a) Operational Activities Segment of ECOSOC, (b) joint meetings of boards of funds and programmes, or (c) an intergovernmentally-appointed expert group?
6. What would be key elements in an effective strategic planning process of UN entities? Would improvements in strategic planning processes at organizational-level translate into improved quantity and quality of funding flows?
7. What are the priorities in strengthening results-based management in strategic planning processes at the organizational-level? Would improved results-based management at the organizational-level translate into increased quantity and quality of funding flows to UN entities?
8. What are the priorities in strengthening results-based management in strategic planning processes at the country-level? Would improved results-based accountability of the UN Country Team towards the Host government translate into increased quantity and quality of funding flows to UN entities?
9. How could the system-wide results and impact of the work of the UN system for development at the country-level be better measured and evaluated? Would improved system-wide evaluation of the performance of the UN system at the country-level translate into enhanced quantity and quality of funding flows?
10. What are major challenges in strengthening the system-wide evaluation role of UN performance at the country-level?

How Governance and Funding recommendations can contribute to enhanced system-wide coherence

	Governance recommendations	Funding recommendations
Strategic overview	▪ Establish/designate central repository of information on UN operational activities for development (G1)	▪ Standardize funding terminology and procedures (F9) ▪ Improve accuracy and coverage of UN statistical reporting on operational activities for development (F9)
Policy coherence	▪ Improve strategic, policy and operational guidance of quadrennial comprehensive policy review (QCPR) legislation (G2) ▪ Develop UN-wide framework for integrated and coordinated implementation of IADGs, including MDGs (G3) ▪ Establish Advisory Group of national policy-maker to enhance the quality of substantive preparations for Operational Activities Segment and to assist in drafting QCPR legislation (G6) ▪ Enhance coherence in decision-making by Member States in governing bodies (G4)	▪ Provide minimum of 50 per cent of system-wide contributions as core/regular funding (F2) ▪ Channel minimum of 50 per cent of system-wide non-core resources to thematic funds linked to strategic plans adopted by governing bodies (F4) ▪ Revise budgetary laws and practices to allow for multi-year funding commitments (F3) ▪ Reform multi-year strategic planning frameworks (F6)
Coordination	▪ Promote voluntary, nationally-owned common country programming[1] (G5) ▪ Revitalize coordination and monitoring role of Operational Activities Segment (G6) ▪ Convene joint meetings of boards of funds and programmes during the Operational Activities Segment (G6) ▪ Strengthen coordination role of ECOSOC through enhanced strategic and integrated programming of substantive session (G7) ▪ Harmonize support of regional coordination mechanisms to common country programming (G8) ▪ Strengthen country, regional and global coordination with Bretton Woods Institutions (G9)	▪ Promote voluntary, nationally-owned common country funds to fill funding gaps in common country programmes (F5)
Accountability	▪ Establish system-wide performance evaluation unit (G10) ▪ Improve cooperation with Joint Inspection Unit in implementation of quadrennial comprehensive policy review (G10) ▪ Enhance evaluation function across UN system (G10)	▪ Renew donor commitment to funding volumes (F1) ▪ Conduct high-level dialogue on funding of UN development cooperation(F1) ▪ Adopt common standard for organizational & operational effectiveness (F7) ▪ Develop UN-wide standard for results-based management, monitoring and evaluation and reporting systems at country-level (F8) ▪ Publish biennial aid effectiveness report (F10)

[1] Common country programmes could potentially be reviewed at central-level by (a) Operational Activities Segment, (b) joint meetings of boards of funds and programmes, (c) proposed Advisory Group.

Statement by Helen Clark
Chair of the United Nations Development Group
On the Occasion of the Informal Session of the Inter-governmental consultations on System-wide Coherence
11am, 8 June 2009, New York

Co-chairs for the System-wide Coherence for the inter-governmental process of the General Assembly,

Distinguished delegates,

Colleagues and Friends,

I am pleased to join you today as the Chair of the United Nations Development Group to brief you on the UN development system's efforts to increase its coherence, effectiveness and efficiency, particularly through the "Delivering as One" pilots.

I would like to thank the Co-chairs H.E. Mr. Kaire Munionganda Mbuende, the Permanent Representative of Namibia, and H.E. Mr. Juan Antonio Yáñez-Barnuevo, the Permanent Representative of Spain, for the important leadership role they are playing in the inter-governmental process of the General Assembly.

I would also like to thank their predecessors, H.E Mr. Augustine Mahiga, the Permanent Representative of the United Republic of Tanzania, and H.E. Mr. Paul Kavanagh, the Permanent Representative of Ireland, for their strong support to system-wide coherence efforts last year.

As I noted in my remarks to the UNDP Executive Board two weeks ago, as Chair of the UN Development Group I am committed to working constructively with all our partners in the UN family, and also to building strong relationships with the largest possible range of stakeholders in development – civil society, donors, the IFIs, and all other partners. Of course, our most important partnerships must be with the governments and peoples of the countries in which we work.

The global recession is a challenging time for the work of the UN development system, but it is also an opportunity to look at fresh ways of doing things, and to innovate.

UNDG members have heard the calls of Member States for a more coherent, effective, and efficient UN development system. Such a system can better support national partners to address the many challenges they face. We clearly cannot be effective working as a disparate set of agencies. We need a coherent programming and operational approach which can maximize the development impact of our support to Governments.

In the last two years, we have increasingly come together as a system : together we are determined to deliver better results, more efficiently and effectively, in support of nationally-

led and demand-driven development programmes. Across the specialized agencies, funds, and programmes, we are implementing measures to improve our collaboration.

This is especially important at this time given the many significant challenges developing countries are facing. The impact of the global economic crisis on the world's poor, the climate change challenge, and recent experiences of high food and fuel prices make it more important than ever that we work together.

What have the pilot countries achieved and what are some of the challenges

I recently had the opportunity to meet with the Resident Co-ordinators and Resident Representatives from the eight "Delivering as One" Pilot countries. One cannot fail to be impressed with the progress that the governments and UN Country Teams of these countries have made in delivering as one. I also recognize the important efforts of numerous governments and UN Country Teams around the world which are working, on their own initiative, to improve the UN's ability to respond and deliver more coherently to national priorities.

My remarks today will draw primarily on the 2008 Stocktaking Reports prepared jointly by the national governments of the pilot countries and the UN Country Teams.

Preparing a joint annual assessment by the national governments and the UN Country Teams is in itself an important development. It allows for a collective and transparent assessment of what is working, what more needs to be done, and where the challenges lie. Yet, while we recognize the importance and value of these Reports, we also recognize that we will only have more conclusive findings on the work and results of the Pilots once a formal evaluation of them has taken place.

The following are some of the important results that the pilot countries are reporting :

First, national leadership and ownership, recognising the central role of the host governments, is at the heart of the reform process in the pilot countries. This was noted as an important achievement in the development of the programmes in 2007.

Governments in these countries increasingly provide specific guidance to the UN development system on the support it can give to national development priorities, in line with the UN's comparative advantage.

It is also being reported that there is more involvement of line ministries in the planning and implementation of the UN's development assistance at the country level. In some countries, there is also increased engagement of other national partners, including of civil society.

It follows, secondly, that the work of the UN Country Teams in the pilot countries has shown increased alignment with national priorities and development strategies, as called for in the Triennial Comprehensive Policy Reviews. Greater emphasis has been placed on the strengthening of national capacities and the increased use of national systems and procedures. Institutional arrangements have been established to promote greater coherence across the development assistance provided by donors to the country. Transaction costs for the governments appear to have been reduced.

Third, as expected, the experience of the Pilots is rich and varied, reflecting the very different country contexts and development needs. The UN system is learning a lot from the lessons learned and the challenges faced. For example, many of the pilot countries have reported that common budgetary frameworks and country funds have significantly improved the transparency of the UN. They enhance inter-agency collaboration and facilitate greater coherence in monitoring and financial reporting obligations. We have also seen the UN Country Teams strengthen their ability to deliver results through the more integrated approach to programming and operations.

Fourth, the pilot country stocktaking has shown that having a pooled "One Fund" mechanism helps to harmonize resource mobilization and reporting among UN organizations on the ground, and reduces the transaction costs which would have been associated with a more fragmented funding model.

Fifth, the enhanced role of the UN Resident Co-ordinator through the strategic positioning of the UN in the pilot countries, and of a strengthened and more accountable UN Country Team, has been very important in responding coherently to national development priorities. At the request of national partners, UN Country Teams have come together more effectively to provide policy advice on a range of important concerns, such as climate change, the food crisis and the global economic crisis. Non-Resident Agencies are playing an increasingly important role in the pilot countries, showing that the "delivering as one" approach enables the UN to leverage the expertise and mandates of its wider family in support of national development priorities.

Sixth, in 2008 many of the pilot countries embarked on and made important progress in harmonizing and simplifying business practices, across the areas of procurement, information and communications technologies, and human resources. This should also enhance the effectiveness and efficiency of UN Country Team operations.

While the 2008 Stocktaking Reports highlight much which is positive, it also identifies some challenges to be addressed for the reform process to progress further. Accelerating the harmonization of business practices is one of those challenges. That also requires continuing reform at the global level of our agencies, even as quick-win solutions are being tested by the pilot countries. Business practice issues which need system-wide agreement and implementation are being taken forward by the High Level Committee on Management of the Chief Executives Board.

Another challenge is to respond to the Triennial Comprehensive Policy Review call to identify and measure transaction costs and efficiencies. This is an important area for further UNDG work.

Funding predictability remains a major issue. The Pilots have put in place elements considered important for reform, including a more integrated and strategic programme; one budgetary framework and one fund; and systems to ensure better reporting of results. Yet, in many of the pilots there are still insufficient resources in the "One Funds"; in others, the funding has been earmarked, leading to reduced flexibility to implement the overall programme as foreseen and to deliver the results that are expected.

A further challenge is the call from the pilot countries for the development of a single results report. That would capture the totality of the UN development system's results in a country

on an annual basis, and reduce the reporting burden which currently exists. Further streamlining of the common country programming is also being sought.

In all these areas, the UNDG is working closely with countries to identify what further simplification and harmonization can be undertaken consistent with the Triennial Comprehensive Policy Review.

Within the UNDG and through the inter-governmental process we will continue to gather the initial lessons and experiences emerging from the Pilots, so as to improve the UN's response to national development plans and priorities. We are placing great priority on the Triennial Comprehensive Policy Review's call for the UN to be more effective, coherent and efficient.

Evaluation

Let me turn to the important question of evaluation of the pilot experience. The Evaluability Study conducted by the UN Evaluation Group last year has provided important guidance to the pilot countries in preparations for future evaluations. In accordance with the Triennial Comprehensive Policy Review, and in response to the desire of national governments, nationally led evaluations may be undertaken. The UNDG will draw upon the advice of the UN Evaluation Group and support those countries which wish to conduct country-level evaluations in advance of the independent evaluation.

To learn as much as possible from the pilot countries' experiences, and to assess the impact of the many innovations at the country level, we also need to move ahead to prepare for the independent evaluation of the countries as called for in the 2007 Triennial Comprehensive Policy Review.

Conclusion

In conclusion, I would like to take this opportunity to thank the Governments of the pilot countries for leading the "delivering as one" process in their countries, and for encouraging the UN development system to perform to the best of its ability in becoming more coherent, effective and efficient.

The pilots are an important achievement for UN reform. They represent a bottom-up approach which is driven and owned by the national governments involved. As a result, we are starting to see important results from a UN development system which is working better together to support the governments and people we serve.

It is imperative that we all continue to support the pilots, and ensure their success. I am committed to that.

Thank you.

Statement by Nikhil Seth, Director, Office for ECOSOC Support and Coordination, UNDESA, at an informal meeting of the General Assembly on strengthening the system-wide funding architecture of UN operational activities for development

Friday, 4 June 2009

Distinguished Co-Chairs,

Distinguished Delegates,

Ladies and Gentlemen,

Once again, thank you for inviting DESA and our partners from the UN system to respond to the questions raised by Member States in the 19 May consultation on funding. We feel that these interactive sessions are contributing greatly to moving this important consultative process forward.

I would also like to use my remarks this morning to provide further details on the recommendations in the funding paper. My UN colleagues on the podium will elaborate on those issues on which they have greater institutional expertise and experience.

At the outset of this interactive session, I would like to briefly discuss the link between the governance and funding papers – an issue raised by several delegations in the 19 May consultation.

Governance at both intergovernmental and UN system level includes oversight of funding volume, modalities and mechanisms. Thus the recommendation to improve governance will ipso facto include oversight of funding modalities and mechanisms. This will be true at the level of the GA, ECOSOC, the Executive Boards and other governance structures. Moreover, agreements reached by the GA on funding will be assessed and reviewed in the GA/ECOSOC context.

This interface between governance and funding of UN operational activities for development is best explained through concrete examples.

The proposals in the funding paper to raise the ratio of core funding from its present level of 30 per cent to 50 per cent over a period of four years and channel a minimum of 50 per cent of non-core resources to thematic funds linked to strategic plans of UN entities will not only improve coherence and lower transaction cost, but also strengthen the role of governing bodies in determining how resources are allocated, as well as give the GA and ECOSOC a clear role in monitoring implementation.

Other recommendations in the funding paper such as those relating to the reform of strategic planning frameworks, the establishment of a common standard to assess organizational and operational efficiency and the publication of biennial aid effectiveness report would have similar impact in terms of strengthening the role of governing bodies at the central-level.

The funding paper also makes several other recommendations which are more aimed at strengthening administrative governance of the UN system, or how UN entities collaborate at the country-level. The most significant of those is probably the proposal to establish common country funds.

The governance paper similarly makes recommendations that impact the funding system such as the proposed central repository of information, the establishment of the system-wide performance evaluation unit and the promotion of voluntary, nationally-owned common country programming at the country-level.

These examples demonstrate the importance of adopting an integrated and strategic approach to the strengthening of the governance and funding architecture of UN development cooperation. While the governance system provides the overall framework within which UN entities operate, the funding is the lifeblood of UN development cooperation.

Due to this symbiotic relationship between governance and funding, the governance paper advocates further strengthening of the capacity of ECOSOC to provide strategic overview and monitoring of system-wide effectiveness of UN development cooperation, including the overall objectives and priorities of the UN system, funding trends, sources of funding and breakdown of expenditures.

In response to a question by the distinguished delegate of Malaysia, it should be recalled that ECOSOC is tasked to provide coordination and guidance, notably in the implementation of the comprehensive reviews of operational activities. The Council therefore has the mandate to address the fragmentation of funding - an issue regularly addressed in GA resolutions on the comprehensive policy review.

The ten recommendations presented in the funding paper focus on measures to enhance the effectiveness of the existing funding architecture rather than suggesting major structural reform. A compact is proposed where donors would renew their commitment to improve the quantity and quality of resources flows, while the UN system would undertake commensurate action to enhance the effectiveness and efficiency of UN development cooperation at the country-level, and to make it more responsive to the needs of beneficiaries, a long-standing priority of programme countries.

With respect to the first recommendation, "*renewing commitment to funding volume*", it is proposed that the Secretary-General, with the support of senior colleagues from the UN system, undertake high-level policy dialogue with Member States on how the UN development system can contribute to socio-economic recovery in developing countries during this time of global economic and financial crisis.

Improving the volume, flexibility and predictability of funding flows is critical for enhanced effectiveness of UN development cooperation. The proposed high-level policy dialogue could help focus the attention of the international community on how a better resourced and more effective UN development system could help programme countries address the complex consequences of the global economic and financial crisis. This recommendation, as well as the whole analysis in the funding paper, reiterates the importance of increasing the quantity of funding for UN system's operational activities.

In response to a question raised by the distinguished representative of the Group of 77 and China during the 19 May consultation regarding the nine joint initiatives currently being undertaken under the auspices of the CEB to assist countries and the global community to address the effects of the global economic and financial crisis, I would like to mention that further details on these initiatives will be provided including at the forthcoming substantive session of ECOSOC.

The second recommendation on "*providing minimum of 50 per cent of system-wide contributions as core/regular funding*", aims to enhance the coherence, effectiveness and efficiency of management and programme implementation of UN development cooperation. This recommendation also aims to contribute to improved intergovernmental governance of the UN development system, as highlighted earlier. The paper argues that raising this ratio from the present 30 per cent to 50 per cent over a period of four years would require shifting annually approximately $1 billion from non-core to core funding or about $4 billion over the four year period (based on 2007 price level).

In response to a question raised by the distinguished delegate of Mexico at the 19 May consultation, I can say that the 50 per cent target was selected as it was felt feasible to achieve this goal over the four-year period. Raising this ratio from 30 per cent to 50 per cent would also be a significant step in the right direction in terms of improving the current imbalance between core and non-core contributions, an issue raised by the distinguished representative of the Group of 77 and China during the 19 May consultation. This could be an intermediate target. Some donors, such as Belgium are committed to making 100 per cent contributions as core funding.

With respect to the third recommendation on "*revising budgetary laws and practices to allow for multi-year core funding commitments*", the distinguished representative of Malaysia requested further information on the difficulties encountered by donors in making such commitments. Here it is important to note that all DAC donors work with annual budgets. The budget is generally approved by parliament 1-3 months before the beginning of the financial year. Most UN agencies, on the other hand, work with biennial budgets.

While the budgets of donors are annual, the budgetary planning is multi-year. In at least half the OECD/DAC countries, the budget proposal includes a forward-looking 3-4 year indicative spending plan presented to parliament for information. While the parliament in some countries endorses a multi-year budget framework, the endorsement doesn't guarantee the availability of funds in later years.

Another issue affecting the predictability of funding flows is the unsynchronized budget cycles of governments in donor countries. In the United States, for example, the fiscal year

starts in October, while in Japan, it begins in April, and other countries use different timeframes.

These and other related factors therefore make multi-year funding commitments to UN development cooperation more difficult.

The fourth recommendation on "*channeling minimum of 50 per cent of system-wide non-core resources to thematic funds linked to strategic plans adopted by governing bodies*" is aimed at reducing the current high degree of fragmentation of the funding architecture of UN development cooperation. In response to a question raised by the distinguished representative of the Republic of Korea, one can say that an important objective of this recommendation is to promote enhanced coherence and lowering of administrative costs of UN development cooperation, while simultaneously contributing to more effective intergovernmental governance, as mentioned earlier.

In response to a question from the distinguished representative of Mexico, I would like to say that the proposed 50 per cent target, in our view, would constitute a sufficiently bold step to transform the funding architecture of UN development cooperation. Once again, this could be an intermediate target subject to evaluation of its impact.

The distinguished representative of the United States also asked why non-core funding has increased at faster rate than core resources in recent years. There are undoubtedly many reasons that can explain the current imbalance between core and non-core resources, but I would just like to mention three, first, the growing demands of donors for enhanced accountability for results, particularly in areas considered of high priority. Accountability for results is easier to attain if the scope of activities is small and well-defined, rather than at the level of much larger programmes, despite recent progress in the introduction of results based management in UN entities. A second reason is the rapid expansion of the work of the UN system in post conflict and post disaster recovery and transition. Thirdly, the shift to national execution in the mid-to-late 1990s meant that specialized agencies could no longer rely on UNDP to provide funds for operational activities, but had to mobilize resources directly from donors.

In response to a question by the distinguished representative of the CANZ Group on how much of the growth in non-core contributions is attributable to country-level project funding, which is channeled through the UN system as opposed to thematic, joint programming or multi-donor funding, the limited data available suggests that country-level project funding has grown faster in recent years than other non-core resources such as thematic funds, multi-donor trust funds and private giving.

A major factor in explaining this growth in non-core country-level project funding has been significant increase in self-supporting contributions by programme countries – an issue raised by the distinguished representative of Japan in the 19 May consultation.

The 2009 statistical report of the Secretary-General estimates that self-supporting contributions of programme countries in 2007 amounted to $2.15 billion, of which $1.55 billion was contributed through UNDP and $400 million through specialized agencies. Of

the $2.15 billion in 2007, the Latin America region accounted for $1.63 billion, or approximately 75 per cent.

Such self-supporting contributions of programme countries have grown annually by almost 29 per cent between 2005 and 2007 (current US dollars), while non-core contributions overall have experienced an annual growth rate of 4.4 per cent. For UNDP, self-supporting contributions from programme countries accounted for 43.5 per cent of overall non-core funding in 2007, compared to 33 per cent in 2005.

In addition to such self-supporting contributions, developing countries contributed $360 million in 2007 to other development-related activities of the UN system, according to the 2009 statistical report of the Secretary-General, which responds to a question raised by the distinguished representative of Japan.

These examples also highlight, in my view, the growing complexity of the funding architecture of UN development cooperation and the need to further build the capacity of intergovernmental bodies such as ECOSOC to exercise effective strategic overview at the central-level, as proposed in the governance paper.

The objective of the fifth recommendation on "*supporting the establishment of common country funds to fill funding gaps in common country programmes*", is to further strengthen national ownership of UN development cooperation at the country-level and to facilitate joint resources mobilization by the UN system. Each common country fund would be a multi-donor trust fund using UNDG standard documents and procedures. The common country fund would support coordinated resources mobilization, allocation and disbursement of donor contributions for the unfunded elements of the common country programme. Through the establishment of a Steering Committee, co-chaired by the national government and the UN Resident Coordinator, the establishment of the common country fund would help ensure alignment of the common country programme with national development priorities. The establishment of the common country fund would also decrease transaction cost to all stakeholders and improve the efficiency of UN operations by ensuring great degree of flexibility in the allocation of resources within the common country programme. It would, most importantly, help fund the gaps in the implementation of the common country programme.

In response to a question from the distinguished representative of Ireland at the 19 May consultation, one can say that an important end objective of the common country funds would be to align the agendas of different UN agencies behind nationally-owned common country programmes so that the coherence process is truly country-driven. The funding paper envisages that all programme country governments that so decide, would have the option to establish a common country fund.

In response to another question from the distinguished representative of Ireland, I would also like to mention that UNDG is currently developing a paper on how savings in harmonization of business practices at the country-level can be ploughed back into operational activities. This paper is expected to be ready in the next few months.

The increase in programmable resources through the common country funds provides a strong incentive to the UN system to speed up the process and is of crucial importance to the programme countries.

With respect to recommendation seven on "*establishing common standard to assess organizational and operational efficiency*", it is important to note that the primary objective is to promote greater efficiency in the work of UN agencies at the country-level. This has been a long-standing priority of programme countries as reflected in many TCPR resolutions. There is an expectation that more efficient operations at the country-level will help maximize the impact of the UN system's support and attract additional funding to UN development cooperation. The establishment of such a standard would also demonstrate the commitment of UN entities to enhance organizational and operational efficiency at the country-level. Although it is envisaged that these assessments be conducted by the respective governing bodies, Member States might also decide to use the standard to conduct such evaluations in an independent manner.

It might be recalled that thus far, methodologies to assess organizational efficiency of multilateral agencies have been mainly developed by donors. This recommendation would enable to put in place a more universally accepted standard, while of course respecting the right of any Member State to conduct its own evaluations.

In response to a question from the distinguished representative of Malaysia, one could foresee that the standard for organizational and operational efficiency, including the definitions of performance and accountability, be developed in partnership between the UN development system, programme countries and donors. In that sense, the process of developing the standard could contribute to improved governance of UN development cooperation.

With respect to recommendation nine on "*standardizing funding terminology and procedures*", it should be noted that the UN development system classifies contributions and expenditures in a different manner than OECD/DAC. For example, many activities classified in UN statistical reporting as development-related, are not in sync with the OECD/DAC definition. Some extra-budgetary contributions to the UN development system are also classified by DAC as bilateral, while the same contributions are included in UN statistical reporting of operational activities for development.

It has been pointed out that these differences in funding terminology between the UN and OECD/DAC may affect resources mobilization of some UN agencies, as donors may be reluctant to provide additional funds to some UN entities if such contributions cannot be reported as ODA. In addition, the widely different definitions of funding sources among UN entities are also making the reporting on UN operational activities, more challenging.

There are also several other methodological differences in the measurement of ODA among major actors in international development cooperation, for example, when it comes to definition of concessionality, which may qualify certain kinds of loans/credits as ODA, but not others. This highlights the need for further efforts at harmonization.

Recommendation ten "*publishing biennial aid effectiveness report*" is first-and-foremost aimed at addressing the longstanding concern of Member States of lack of efficiency in country-level operations of the UN system. In response to demands from governments in programme countries, the UN system has also made commitments at the international-level in recent years to further enhance aid effectiveness at the country-level. The biennial aid effectiveness report would provide an opportunity to examine progress in realizing such commitments, as well as the implementation of relevant policy guidance established by the GA through the comprehensive policy review. An important objective of the biennial aid effectiveness report would be to facilitate informed deliberations and decision-making on these important issues at both country and global levels.

Distinguished co-chairs,

Through this presentation, I have attempted to answer many of the questions raised by Member States in the 19 May consultation. DESA stands ready to support you in this important work in every possible manner. We would be happy to revert back on these issues in more detail.

Thank you.

Permanent Mission of the Republic of Namibia
to the United Nations
360 Lexington Avenue, Suite 1502
New York, N.Y. 10017

Permanent Mission of Spain to the United Nations
One Dag Hammarskjöld Plaza
245 East 47th Street, 36th Floor
New York, N.Y. 10017

19 June 2009

All Permanent Representatives
and Permanent Observers
to the United Nations

Excellency,

As part of our program of work we expressed our intention to produce executive summaries on each of the issues discussed under our tenure as Co-Chairs of the System-wide Coherence process, namely, strengthening of institutional arrangements in support of gender equality and the empowerment of women, and governance and funding of UN operational activities for development. We are pleased to attach the three executive summaries to this letter for the consideration of Member States. The purpose of each summary is to attempt to reflect the state of the discussions on each topic since our appointment by the President of the General Assembly as Co-Chairs of the System-wide Coherence process, and to present some recommendations on the way forward. The attached executive summaries are intended to be working papers in order to facilitate consensus-building among delegations.

Also as part of our program of work we announced our intention to hold one session of informal consultations on the three issues above-mentioned in the second half of June. **The informal consultations are scheduled for Monday 22 June 2009 from 3 to 6 pm in the Trusteeship Council Chamber**. The Secretary-General will participate and address the meeting.

After the informal consultations next Monday we intend to maintain bilateral contacts with regional groups and individual delegations in order to find common ground and build consensus on the main areas of our work. The Co-Chairs are always mindful that our mandate stems from General Assembly resolution 62/277 in which, inter alia, the General Assembly decides on the focus of the work on system-wide coherence which should be carried out in an integrated manner.

We look forward to a constructive meeting next Monday and reiterate our commitment to continue working with Member States in the coming weeks and months in order to pave the way for a decision by the General Assembly on the three main issues at stake during its 63rd session.

Please accept, Excellency, the assurances of our highest consideration.

Kaire M. Mbuende
Permanent Representative of Namibia

Juan Antonio Yáñez-Barnuevo
Permanent Representative of Spain

Informal Consultations of the General Assembly on United Nations System-wide Coherence

Strengthening the Institutional Arrangements for Support of Gender Equality and the Empowerment of Women

Executive Summary by the Co-Chairs

Background

1. The purpose of this executive summary is to provide an overview of the intergovernmental discussions on strengthening of the institutional arrangements for support of gender equality and the empowerment of women since our appointment by the President of the General Assembly as Co-Chairs of the System-Wide Coherence process. The executive summary also provides some recommendations on the way forward in order to facilitate substantive action by the General Assembly during its sixty-third session.

2. Discussions on this matter have taken place for more than two years and the Secretary General has submitted four documents to the General Assembly dated 1 August 2007, 5 June 2008, 23 July 2008, and 5 March 2009, respectively. At the request of Member States, these documents have been supplemented with additional information by the Secretary-General on 4 and 8 June 2009.

3. The Secretary-General's documents and supplementary information identifies gaps and challenges, outlines the objectives and functions of strengthened institutional arrangements for gender equality and the empowerment of women, and presents institutional options to address the current deficiencies. The Secretary-General's vision of a new and strengthened architecture for gender equality and the empowerment of women foresees the establishment of an entity which would consolidate the four existing entities, and would be headed by an Under-Secretary-General, adequately resourced and with authority and capacity to drive and hold the United Nations system accountable to provide effective support to Member States. The entity would have strong and strategic field presence and maintain and strengthen collaboration between Member States, the United Nations system and civil society. The functions to be carried out by the new entity are indicated in the Secretary-General's papers of 1 August 2007 and 23 July 2008.

4. During the informal consultations held at the General Assembly 62nd session under the facilitation of Ireland and Tanzania, the membership signaled a preference for a comprehensive organization capable of seamless effectiveness in the field and Headquarters and that links the operational and normative work. In General Assembly resolution 62/277 the Assembly welcomed the Secretary-General's report entitled "Institutional Options to Strengthen the UN work on Gender Equality and the Empowerment of Women", and requested the Secretary-General to provide a further, detailed modalities paper in respect of the options set out in the Deputy Secretary-General's paper, focusing in particular on the composite entity option with a view to facilitating substantive action by the General Assembly during its 63rd session.

Summary of discussions

5. The work of the Co-Chairs of the System-wide-Coherence process in the current General Assembly session stems from General Assembly resolution 62/277. In this respect, the Secretary-General´s document requested by General Assembly resolution 62/277 was transmitted to all Member States on 5 March. In this context, on 30 March 2009 the Co-Chairs convened plenary informal consultations to discuss the document entitled "Further Details on Institutional Options for Strengthening the Institutional Arrangements for Support of Gender Equality and the Empowerment of Women", dated 5 March 2009. In her presentation of the document during the informal consultations, the Deputy Secretary-General stressed that the current General Assembly session was the time to decide on the best institutional option of a new gender architecture ("now is the time for action").
For their part, Member States generally welcomed the paper on gender architecture submitted by the Secretary-General. A plurality of delegations expressed their strong preference for the composite entity proposal led by an Under-Secretary-General, and underlined the need to take action during the current General Assembly session. Other delegations referred to the need of a single overall resolution on System-wide Coherence and that there should be no artificial deadlines. Several raised questions and requested additional details on the proposed organizational structure, funding and intergovernmental governance structures of the composite entity.

6. To advance discussions on the options presented in the Secretary-General´s document and to respond to Member States´ questions and comments raised during the plenary informal consultations held on 30 March, on 15 April the Co-Chairs convened an interactive meeting with the representatives of the United Nations involved in the elaboration of the Secretary-General´s paper of 5 March. Delegations asked further questions and requested the Secretary General to provide the General Assembly with further information and clarifications in writing.

7. On 4 June a consolidated response to the questions asked by Member States in the above-mentioned intergovernmental meetings was transmitted to all Member States. The narrative was complemented by a power point presentation during the interactive meeting convened by the Co-Chairs on 8 June. During the interactive meeting Member States received additional information on the proposed entity, including its organizational structure, intergovernmental oversight mechanisms, staffing and related costs, funding estimates for the composite entity, and interaction with key stakeholders. All speakers expressed the need to strengthen the UN´s work in gender equality and women´s empowerment. There was a strong support among Member States for the composite entity, led by an Under-Secretary-General, in order to provide effective programmatic assistance to Member States, including through strategic field presence, and to foster gender mainstreaming throughout the UN system. Many reiterated that the new gender entity´s coverage should include all Member States given that the UN mandates on gender equality and the empowerment of women apply to all countries. While the entity´s coverage will extend to all countries, it needs to establish its presence in response to demand and in line with the resources available to it. A number of delegations expressed their willingness to work with the Co-Chairs in order to pave the way for a decision by the General Assembly during the current session.

Possible way forward

8. At this stage of the discussions on the reform of the UN gender architecture, the Co-Chairs consider that the time for action by the General Assembly is coming upon us. As a result of the consultations and interactive sessions held so far during our tenure, we have heard that the establishment of a composite entity remains the most promising option in order to meet the UN´s mandates on gender equality and the empowerment of women, ensure gender mainstreaming and accountability, and address the gaps, deficiencies and challenges of the current institutional arrangements. The composite entity would merge OSAGI, DAW, UNIFEM and INSTRAW into one consolidated entity which would perform the functions broadly outlined in the various reports of the Secretary-General. In this respect, the composite entity would:

- provide normative support to the UN's intergovernmental bodies;
- advance gender mainstreaming throughout the UN;
- carry out operational activities more effectively and on a larger scale to support all member states in achieving their priorities and commitments, under national ownership and leadership, including in research and training.

The entity would have the same flexibility as other UN operational entities in order to provide an effective response to countries' requests. And it would service all countries, while establishing a strategic and cost-effective field presence as its resources grow.

9. After hearing the views of Member States, it is our recommendation that the General Assembly take action during its current session on these areas. We recognize that two areas require further intergovernmental discussion: the funding sources for the new entity from the UN's regular resources and voluntary sources, and the intergovernmental oversight mechanisms for the new gender entity. In this context, and as outlined in our program of work, the Co-Chairs intend to meet informally with regional groups and individual delegations in the coming weeks in order to find common ground for the establishment of the new gender entity.

10. The Co-Chairs see scope for a decision during this session which would reflect the preponderant view of the Member States and allow that the Secretary-General be authorized to proceed with the necessary arrangements for the establishment of a composite gender entity and report to the General Assembly accordingly. A future decision by the General Assembly on gender would be taken in the context of a comprehensive and integrated approach to the main issues involved in the system-wide coherence process.

11. We stand ready to work closely with Member States and the Secretary-General to facilitate consensus-building that will pave the way for the General Assembly's substantive action on this matter in its current session.

Informal Consultations of the General Assembly on United Nations System-wide Coherence

Strengthening governance of operational activities for development of the UN system for enhanced system-wide coherence

Executive Summary by the Co-Chairs

Background

1. The purpose of this summary is to take stock of the informal consultations of the General Assembly (GA) on strengthening governance of operational activities for development of the United Nations (UN) for enhanced system-wide coherence. Three meetings have been held during the current legislative session of the GA, where Member States have had an opportunity to make formal statements, as well as interact informally with representatives of the UN system on priorities in strengthening the governance of UN development cooperation.[1] These meetings build on the outcome of GA consultations on system-wide coherence held during the 61st and 62nd legislative sessions, where there was consensus that intergovernmental governance should be fully supportive of nationally-owned development strategies at the country-level, and that changes in governance should not lead to the creation of new structures, but focus on improving the effectiveness of existing bodies such as the GA, Economic and Social Council (ECOSOC) and governing bodies of UN entities.

2. A background note prepared by the Secretary-General for the current round of informal consultations has identified several gaps and weaknesses in governance of UN operational activities for development, including weak prioritization, overlap of functions, policy inconsistencies across the UN system, coordination deficits, and great difficulty in assessing system-wide performance of the UN at both country and global levels. The Secretary-General has proposed that further strengthening of the governance architecture should focus on improving strategic overview, policy coherence, coordination, funding and accountability, of the work of the UN system for development.[2] More specifically, the Secretary-General has made ten recommendations to strengthen the current governance architecture, which include the creation of a central repository of information on UN operational activities for development, reforming the GA policy guidance process, furthering common country programming, revitalizing the coordination and monitoring role of ECOSOC and strengthening system-wide performance review and evaluation of the work of the UN at country and global levels.

Summary of discussions

3. There is broad-based support for strengthening the strategic overview role of ECOSOC of UN development cooperation. The proposed central repository is envisaged as a transparent, high-quality statistical database on UN operational activities for development, which would build on the annual statistical compendium of the Secretary-General. Merging relevant databases of UNDESA and UNDP by 2010, as requested in GA resolution 63/232, would constitute an important step towards the creation of a central repository of information on UN development cooperation. The central repository would enable Member States to have access to disaggregated statistical information on (a) the volume and scope of UN operational activities for development, (b) all funding sources, and (c) breakdown of expenditures. An important objective of this initiative would be to strengthen the coordination, monitoring and evaluation role of ECOSOC. Considering that all UN entities involved in operational activities for development would benefit from the creation of the central repository, it is

[1] The first meeting on governance took place on 24 April, followed by an interactive session with representatives of the UN development system on 8 May. A meeting to discuss linkages between governance and funding was also held on 17 June.
[2] The issue of funding UN operational activities for development is discussed in a separate background note of the Secretary-General.

envisaged that additional costs, if any, would be shared amongst them. Several Member States requested further information from the Secretariat on the proposed central repository, including more details on the financial and human resources requirements, cost-sharing arrangements, substantive scope, methodologies for data collection and working modalities.

4. The quadrennial comprehensive policy review (QCPR) of the GA is the intergovernmentally-agreed framework for providing policy guidance to UN development cooperation and country-level modalities of the UN system. The Secretary-General has recommended further strengthening of the GA legislation by better defining the strategic, policy and operational issues that should be part of this influential framework. The Secretary-General has also recommended greater involvement of national policy-makers dealing with UN operational activities for development at the country-level in the preparation of the QCPR legislation.

5. All Member States recognize the central role played by the QCPR in promoting system-wide coherence of UN development cooperation. Member States also agree that changes in the QCPR process should not weaken the leadership role played by the GA in providing policy guidance to the UN development system. Member States requested the Secretariat to provide further information on how the QCPR could promote system-wide coherence more effectively, without weakening the role of the GA, while also explaining how the proposed changes would affect the roles and responsibilities of the Assembly, ECOSOC and governing bodies of UN entities in the policy guidance process.

6. A number of Member States expressed support for the development of UN-wide framework that would provide strategic overview of the work of the UN system for development and facilitate integrated and coordinated follow-up to the outcomes of UN conferences and summit. ECOSOC has been mandated by Member States to coordinate the implementation of the outcomes of UN conferences and summits, but the Council has lacked appropriate modalities and tools to perform this role effectively. A few delegations requested further details from the Secretariat on the proposed UN-wide framework.

7. There is general recognition that Member States could further the system-wide coherence process by improving alignment of policies in different governing bodies at the intergovernmental-level. Further dialogue among Member States on this issue was welcomed.

8. Furthering voluntary, common country programming is seen by many Member States as critical to strengthened national ownership of UN development cooperation. The specific modalities used by governments to coordinate UN programming, at the same time, should be driven by the specific needs and priorities of programme countries. Member States expect common programming to enhance efficiency in the delivery of UN development assistance, including effective alignment with national development priorities. It was pointed out that more than thirty countries will begin developing a new UNDAF in 2009 and another sixty countries in 2010 and 2011. Many of those countries may opt to voluntarily adopt common country programming as a means to enhanced coordination of UN development cooperation at the country-level. A number of Member States have therefore called for holistic review of common country programmes at intergovernmental-level, prior to formal adoption by governing bodies of the respective UN entities. The Operational Activities Segment of ECOSOC was offered as an alternative for conducting such holistic review of common country programmes, as well as expanded joint meetings of boards of funds, programmes and specialized agencies. Another alternative presented was to conduct this review at country level to strengthen partner countries' ownership and leadership in the process. These options need to be further explored.

9. The Secretary-General has made several proposals to revitalize the Operational Activities Segment (OAS) of ECOSOC, with particular focus on the following: (a) strengthening the role of the

Council in the QCPR process, (b) enhancing the participation of national focal points dealing with UN development cooperation at country-level in ECOSOC deliberations, including through the creation of an Advisory Group, (c) convening the joint meetings of the boards of funds and programmes during the OAS, and (d) considering the possibility of merging the OAS and the Coordination Segment.

10. Member States generally support enhanced participation of national focus points dealing with UN development cooperation at country-level, in ECOSOC deliberations. Member States, on the other hand, requested further information on the proposed Advisory Group, particularly its role, working methods, composition and relationship with ECOSOC. Some Member States felt that the proposed Advisory Group would have to be fully independent and composed of national experts with substantive competencies to provide advice to ECOSOC on system-wide issues. It was also suggested that the experience of existing advisory bodies such as the UN Committee on Development Policy be examined in this context. A concern was expressed that merging the Coordination Segment and the Operational Activities Segment might weaken the identity of UN development cooperation. Instead, it was suggested that enhanced coherence in the work of the Coordination Segment and Operational Activities Segment could be achieved through greater programmatic synergy. Some Member States were also critical of the experience with the joint meetings of boards of funds and programmes, while others proposed that membership in that body be expanded to include all relevant UN entities engaged in development cooperation. An alternative view was expressed that the joint meetings of boards should be either discontinued or replaced by a special session during the OAS. Holding the joint meetings of boards of funds and programmes during the OAS was felt by some to strengthen ECOSOC as central hub for global dialogue on UN development cooperation.

11. In addition, the Secretary-General has suggested thorough review of the programming of the substantive session of ECOSOC as a way of enhancing the coordination and monitoring role of the Council. The Secretary-General argues that the Coordination Segment, Operational Activities Segment and the General Segment have not been effective in providing operational guidance to the UN system on an annual basis. To address these deficiencies in the functioning of ECOSOC, the Secretary-General proposes the adoption of a more strategic and integrated approach in the programming of all elements of the substantive session of the Council. Member States felt that this issue would need more careful examination.

12. Member States generally agree on the need to further strengthen cooperation between regional directors' teams and regional coordination mechanisms in support of nationally-owned UN programming processes at country-level. It was noted that significant efforts have been made in recent months to consolidate and refocus such cooperation between these regional structures. This process should be further accelerated. Some Member States also requested further details from the Secretariat on recommendations to strengthen cooperation between the UN and the Bretton Woods Institutions.

13. Member States generally agree on the need to strengthen system-wide performance review and evaluation of the work of the UN system at country and global levels. An important objective of strengthened system-wide performance review and evaluation would be to enhance organizational efficiency and promote improved delivery of development results at country-level. More effective system-wide performance review and evaluation would also strengthen the overview and monitoring role of ECOSOC of UN development cooperation. It was also pointed out that such evaluations could facilitate comparative analysis of the performance of funds, programmes and specialized agencies at the country-level. Member States, however, are not yet in agreement on whether the system-wide evaluation function is best performed by a new unit or existing entity such as the Joint Inspection Unit (JIU) and UNEG. Many Member States stressed the need for the system-wide evaluation function to be truly independent. More information was requested on the system-wide evaluation unit proposed by the Secretary-General, including on financial and human resources requirements, scope of work, working modalities and division of labour with other related mechanisms such as the JIU, UNEG and

evaluation offices of UN entities. A suggestion was made that the system-wide evaluation unit be wholly or partially staffed through secondments from evaluation offices of UN entities.

14. The "delivering-as-one" pilot initiative is testing in eight countries how the UN family – with its many diverse agencies – can deliver in a more coordinated way at the country-level. The objective is to ensure faster and more effective UN development cooperation under strong national ownership and leadership. There were strong calls for an independent, objective, impartial and professionally-conducted evaluation of the "delivering-as-one" pilot initiative at the earliest possible opportunity, as requested in GA resolution 62/208.

15. There were also calls for enhanced intergovernmental review of the work of interagency bodies such as CEB and UNDG, including through more regular dialogue and briefings. The substantive session of ECOSOC provides such an opportunity, but many Member States felt that this interaction could be further strengthened.

Possible way forward

16. Based on careful consideration of the views expressed by Member States during the current round of informal consultations of the GA on strengthening the governance architecture of UN development cooperation for enhanced system-wide coherence, the co-chairs have identified the following areas that could guide the process going forward:

(a) Intergovernmental bodies such as the GA and ECOSOC need access to comprehensive, high-quality and sufficiently disaggregated statistical information on UN development cooperation in order to perform their guidance, coordination and monitoring role more effectively. The General Assembly could consider requesting the SG to take the necessary steps to establish the proposed central repository of system-wide information on UN operational activities for development.

(b) The centrality of the QCPR of the GA in providing intergovernmental guidance to UN development cooperation and country-level modalities of the UN system is universally recognized. The General Assembly could consider strengthening this legislative framework with a view to further improving its impact on UN development cooperation and country-level modalities of the UN system.

(c) The General Assembly could also consider requesting UN relevant entities to take the necessary steps to align strategic planning cycles with the QCPR, as per GA resolution 63/232.

(d) Enhanced policy coherence in the governance of UN development cooperation should begin in the capitals of Member States. In that regard, the General Assembly could consider underlining the importance of enhancing policy coherence in different UN governing bodies.

(e) The Economic and Social Council plays a key role in system-wide coordination of UN development cooperation at the intergovernmental-level. The General Assembly could consider further strengthening the coordination and monitoring role of the Operational Activities Segment of ECOSOC, including strategic overview of funding, through enhanced involvement of national policy-makers dealing with UN development cooperation at the country-level, in the Council's deliberations. The General Assembly could also consider the establishment of the proposed Advisory Group subject to further details being provided on its feasibility and viability. In addition, the General Assembly could consider recommending that joint meetings of boards of funds and programmes be convened during the Operational Activities Segment of the Council.

(f) ECOSOC has been mandated to foster normative-operational linkages in the work of the UN system for development and to promote coordinated and integrated follow-up to the outcomes of UN conferences and summits. The General Assembly could consider modalities to strengthen ECOSOC oversight and monitoring role in that regard.

(g) Strengthened coordination and coherence of the work of the UN system for development has largely been brought about by deepened programmatic cooperation and the adoption of common approaches. The General Assembly could consider endorsing the principle, and strengthening modalities, of voluntary, common country programming as a means to enhance UN system-wide coherence, under national ownership and leadership.

(h) Countries voluntarily adopting common UN programming should have the option to submit the common country programmes for holistic review at intergovernmental level, including through the Operational Activities Segment of ECOSOC. The General Assembly could consider requesting the SG to propose modalities for such a review.

(i) Enhanced system-wide performance review and evaluation of the work of the UN system for development at country and global levels is critical for enhanced efficiency, effectiveness and accountability of UN operational activities for development. The General Assembly could consider establishing the proposed independent evaluation capacity taking into account the experience with existing mechanisms such as the Joint Inspection Unit and UN Evaluation Group.

(j) The General Assembly could request to be informed at the earliest on modalities for conducting an independent, objective and impartial evaluation of the "delivering-as-one" pilot initiative, based on criteria to be proposed by the Deputy-Secretary-General.

(k) The CEB and UNDG play an increasingly important role in administrative coordination of UN development cooperation. The General Assembly could consider requesting the CEB and UNDG to hold periodic briefings and dialogue sessions with Member States on their respective activities.

Informal Consultations of the General Assembly on United Nations System-wide Coherence

Improving the funding system of operational activities for development of the United Nations system for enhanced system-wide coherence

Executive Summary by the Co-Chairs

Background

1. The purpose of this summary is to take stock of the informal consultations of the General Assembly on strengthening system-wide funding architecture of operational activities of the United Nations for development. Three meetings have been held during the current legislative session of the GA, where Member States and political groups have had an opportunity to make formal statements, as well as interact informally with representatives of the UN system on priorities in strengthening the funding architecture of UN development cooperation.[1] These meetings build on the outcome of GA consultations on system-wide coherence held during the 61st and 62nd legislative sessions, where there was consensus that an improved funding system is key to more coherent and cost-effective delivery of services at country-level. Member States also agreed that strengthened funding architecture for operational activities for development of the UN system should build on existing arrangements, not lead to the creation of a new, overarching mechanism with narrow substantive focus.

2. A background paper prepared by the Secretary-General for the current GA session has identified several key weaknesses in the funding architecture of UN development cooperation, including volatility of resources flows, long-term decline in the share of core resources of overall contributions, fragmentation of non-core funding, and un-even burden-sharing among donors. With a view to addressing these weaknesses, the Secretary-General has proposed a compact where donor countries would renew their commitment to the quantity and quality of resources flows, while UN entities would undertake commensurate action to enhance the effectiveness and efficiency of country-level operations of the UN system. More specifically, the Secretary-General has made ten recommendations to further strengthen the funding architecture of UN development cooperation, which include renewing donor commitment to funding volumes, providing a minimum of 50 per cent of system-wide contributions as core/regular resources, channeling a minimum of 50 per cent of system-wide non-core/extra-budgetary resources to thematic funds linked to strategic plans adopted by governing bodies, establishing common country funds, reforming multi-year strategic frameworks, adopting common standard to assess organizational and operational effectiveness of UN entities, and publishing biennial aid effectiveness report of UN development cooperation.

Summary of discussions

3. Member States agree that the efficiency, effectiveness and coherence of the funding architecture of UN development cooperation needs to be improved. Member States also agree that further improvements in the funding architecture should be strategically aligned with efforts to strengthen governance of UN development cooperation. Furthermore, there is consensus that the most urgent priority for UN development cooperation is an adequate, predictable and stable funding base, responsive to national development plans of programme countries. Moreover, Member States

[1] [1]The first meeting on funding took place on 19 May, followed by an interactive session with representatives of the UN development system on 4 June. A meeting to discuss linkages between governance and funding was also held on 17 June.

agree on the urgency in addressing the current imbalance between core and non-core resources flows to UN operational activities for development.

4. Concerns were raised that the current economic and financial crisis may put downward pressure on development cooperation budgets of donor countries, including contributions to UN operational activities for development. In response to such pressures, it was felt that the UN system needs to present more effectively its unique value in addressing national and global development challenges. Some delegations also felt that the background paper doesn't address sufficiently the issue of quantity of funding, on which more focused recommendations should be developed in the course of further consultations. Improving burden-sharing was seen as an important step to improve funding volume, including predictability, but it should be achieved in a voluntary manner.

5. Member States in principle endorsed the objective of increasing core contributions while streamlining non-core resources flows, but the optimum balance between these two sources of funding merits further examination. It was pointed out that the Secretary-General's proposal for 50 per cent as core/regular resources was a system-wide goal, which would allow for flexibility in setting targets for individual UN entities. The primary goal of reforming the UN funding architecture should be to improve the adequacy, predictability and stability of funding flows as means to improve the effectiveness of the UN system is supporting programme countries in realizing national development goals. It was pointed out that the classification of core vs. non-core resources oversimplifies the diversity of the funding architecture and masks the real funding challenges faced by the UN. The UN system should thus further unpack the concept of non-core resources and provide more disaggregated data to facilitate intergovernmental overview and monitoring.

6. Member States also generally supported further streamlining of the non-core resources architecture through pooled funding modalities. At the organizational-level, thematic funds and multi-donor trust funds (MDTFs) have the potential to promote enhanced transparency and efficiency and respond to needs of programme countries. Shifting funding to pooled funding arrangements should be further analyzed as to the effectiveness of these modalities. At the country level, the common country funds have in some cases played an important role in bridging funding gaps in common country programmes. But, wider application of this instrument requires the adoption of effective management and operational arrangements. In this context, many Member States stressed that common country programming should lead to increased, not diminished, resources flows, and solutions should be developed at the earliest to enable savings from activities to enhance system-wide coherence to be ploughed back into programmes at country-level.

7. Some Member States felt that the growing fragmentation of the funding architecture of UN development cooperation in recent years could be partly explained by concerns about the country-level performance of the UN system. Other Member States stressed that the allocation of funding should not be determined by the performance of agencies, as this would constitute conditionality. The diversity of the UN system makes it technically difficult to craft common performance standards, with attribution of development results among UN agencies posing a particular challenge in this respect. Some donor countries argued that adopting common standards for organizational and operational effectiveness of UN entities should not deprive the independent assessment of the effectiveness of the UN development system.

8. Member States agreed that harmonization of results-based management, monitoring and evaluation and reporting would help the UN system to better articulate the link between resources and results and to reinforce performance-orientation. The UN needs to perform better, but also to demonstrate its accomplishments more effectively. Member States encouraged the UN to adopt a unified reporting template at country-level and further strengthen results-based management at the

organizational-level. Some Member States suggested that the proposed biennial aid effectiveness report could provide important analysis of how the delivery of UN development cooperation could be made more effective. The remit of this report should be carefully defined in order to ensure its usefulness, particularly considering the different development stages of Member States.

Possible way forward

9. Based on careful consideration of the views expressed in the informal consultations on improving the funding system of the operational activities for development of the UN system for enhanced system-wide coherence, the co-chairs have identified the following areas that could guide the process going forward:

(a) The most urgent priority for UN development cooperation is an adequate, predictable and stable funding base, responsive to national development plans of programme countries. The General Assembly, in resolution 62/208, has called for substantial increase in voluntary contributions to core/regular budgets of the UN development system. The General Assembly could consider recommending that donor countries provide minimum of 50 per cent of system-wide contributions to UN operational activities for development as core/regular resources.

(b) The fragmented nature of the supplementary funding architecture of UN operational activities for development undermines the ability of the UN system to pursue coordinated implementation of national and global development goals. The General Assembly could consider recommending that donor countries channel minimum of 50 per cent of system-wide non-core/extra-budgetary contributions to thematic funds linked to strategic plans adopted by governing bodies of UN entities.

(c) An important objective of common country funds is to promote enhanced alignment of common country programmes with national development priorities and to facilitate more efficient and less competitive resource mobilization at country level. The General Assembly could consider recommending that UN country teams and programme country governments establish common country funds to facilitate joint resource mobilization to fill funding gaps in common country programmes. The General Assembly could also consider requesting UNDG to develop joint standards for the establishment of common country funds.

(d) Improved strategic overview of funding is essential for the ability of intergovernmental bodies such as the General Assembly and ECOSOC to provide effective guidance, coordination and monitoring of UN development cooperation. The General Assembly could consider requesting the Secretary-General, as part of the annual comprehensive statistical compendium, to strengthen reporting on core/non-core contributions of donors, including volume channeled through thematic funds linked to strategic plans adopted by governing bodies of UN entities.

(e) The General Assembly, in resolution 62/208, has called upon UN funds, programmes and specialized agencies to continue to harmonize and simplify their rules of procedures, where ever this can lead to significant reduction in administrative and procedural burden on the organizations and national partners, bearing in mind the special circumstances of programme countries, and to enhance the efficiency, accountability and transparency of the UN development system. The General Assembly could consider recommending that UN system entities step-up efforts to improve organizational effectiveness and efficiency in the delivery of UN development cooperation at the country-level.

(f) The introduction of multi-year funding frameworks (MYFFs) and strategic plans has been an important response to address the declining, and often volatile, trend in core resources flows to UN funds and programmes. Many UN funds and programmes will adopt a new generation of strategic plans in 2013 for application in 2014. This provides an opportunity for system-wide effort to improve the quality of strategic planning in UN entities. The General Assembly could consider requesting UN entities to further strengthen strategic planning processes, particularly with a view to improving the costing of development results and definition of results and performance indicators.

(g) Member States agree that the efficiency and effectiveness of country-level operations of the UN development system should be enhanced. The General Assembly could consider requesting UNDG, through a participatory process, involving representatives of the UN system, programme countries and donors, to formulate a common standard to assess organizational and operational effectiveness of UN entities.

(h) The General Assembly, in resolution 62/208, has called upon UN funds, programmes and specialized agencies, to the extent possible, that savings resulting from reductions in transaction and overhead costs accrue to development programmes in programme countries. The General Assembly could request UNDG to develop at the earliest guidelines for UN entities for identifying and reinvesting savings from initiatives to enhance system-wide coherence back into programme activities at the country-level.

(i) Improved accountability of the UN country team to national governments in programme countries for the delivery of agreed development results, calls for the harmonization of results-based management, monitoring and evaluation and reporting systems across the UN system at country-level. The General Assembly could consider requesting UNDG to harmonize standards for results-based management at country level and to develop a common reporting system for UN country teams.

(j) The effectiveness, efficiency and transparency of financial reporting on UN operational activities for development should be further improved. The General Assembly could consider requesting CEB to develop common definitions of funding sources as part of broader effort to improve the accuracy and consistency of statistical reporting on UN operational activities for development.

(k) The General Assembly, in resolution 62/208, has requested the Secretary-General to continue to assess the effectiveness of the operational activities for development of the UN system. The General Assembly could consider requesting the Secretary-General to prepare biennially a UN aid effectiveness report for discussion in the Operational Activities Segment and Development Cooperation Forum of ECOSOC.

Permanent Mission of the Republic of Namibia
to the United Nations
360 Lexington Avenue, Suite 1502
New York, N.Y. 10017

Permanent Mission of Spain to the United Nations
One Dag Hammarskjöld Plaza
245 East 47th Street, 36th Floor
New York, N.Y. 10017

7 August 2009

All Permanent Representatives
and Permanent Observers
to the United Nations

Excellency,

As Co-Chairs of the System-wide Coherence process we are writing to update you on our work and the way forward. As delegations may recall, since our appointment by the President of the General Assembly on 20 February 2009 we have convened thirteen meetings, some in the format of informal plenary consultations and some as informal interactive meetings, in order to discuss the different areas included in the System-wide Coherence process. We have done our best to conduct the process in an open, transparent and inclusive manner, bearing in mind the need to allocate sufficient time to discuss the various issues at stake.

As outlined in our plan of work, following the plenary informal consultations held on 22 June, we have had informal meetings with regional groupings and individual delegations in order to build consensus on the areas that could be part of a decision by the General Assembly during the present session. The meetings have proved to be very useful in order to frame the broader discussions held in the previous months and identify elements for common ground.

At this point, the Co-Chairs consider that the documents prepared by the Secretary-General and transmitted to all Member States on the reform of the gender architecture, governance and funding of UN operational activities for development, as well as statements made by delegations in the plenary informal consultations and interactive meetings, the executive summaries prepared by the Co-Chairs, and the informal meetings between the Co-Chairs with regional groupings and individual delegations, provide a good basis for a single, integrated, substantive, balanced and consensual decision by the General Assembly on the issues pertaining to System-wide Coherence by the end of the 63rd session.

*****

Regarding the reform of the UN gender architecture, and as stated in the executive summary on this matter prepared by the Co-Chairs, it is our shared recommendation that the General Assembly take action during the current session and decide on the establishment of a composite entity that should build on the existing four entities (OSAGI, DAW, UNIFEM and INSTRAW) while consolidating them into one entity that would perform the functions broadly outlined in the relevant reports of the Secretary-General. The new entity should recognize the universal nature of gender equality and women's empowerment in view of the obligations that all Member States have in that regard. The new entity would, in particular:

- provide normative support to the UN intergovernmental bodies which will continue to be the overarching policy-making bodies;
- advance gender mainstreaming throughout the UN system;
- provide an effective link between the normative functions and the operational activities;
- carry out operational activities more effectively and on a larger scale with a demand-driven field presence that would build upon current assistance with a view to strengthening the impact of its support to Member States;
- have strong leadership and be led at the level of Under-Secretary-General;
- be supported by funding from the UN regular budget to support normative core functions and from voluntary contributions for the operational activities.

Regarding the intergovernmental oversight mechanisms for the proposed new gender entity, there is general consensus that the General Assembly and the Economic and Social Council, including the Commission on the Status of Women, would remain the overarching normative and policy-making bodies. As regards the intergovernmental oversight mechanism for the operational activities, the Co-Chairs sense an emerging recognition that a decision on an Executive Board to oversee the entity's organizational work in a manner similar to that established in GA resolution 48/162, is important in order to achieve appropriate oversight and guidance on the entity's development during the transitional period. We will continue consulting with delegations on this matter.

Should the General Assembly decide to establish the composite entity, a transitional arrangement process could be envisaged in order to ensure the necessary leadership and required preparatory work, including consultations with stakeholders, in the process leading to the establishment of the future entity. During such a period, the existing entities would continue to perform their current operations.

In the area of the governance of the UN system operational activities for development, there is broad consensus around the need to improve the functioning of existing intergovernmental bodies, with a view to support developing countries in their national development strategies, and in full respect of the principles of transparency, inclusiveness and national ownership.

The need to address the effectiveness of existing bodies with a view to improving strategic overview, policy coherence, coordination, funding and accountability was repeatedly underlined. However, it is our assessment that the General Assembly is not ready for a landmark decision on this matter and further options may need to be requested from the Secretary General, bearing in mind the principles outlined above. In the same vein, advancing voluntary, common country programming is seen as critical to strengthened national ownership of UN development cooperation. Further discussion will be needed on how to strengthen its modalities, including options for the review of common country programmes at the intergovernmental level.

The General Assembly could also recall the urgency for the Funds, Programmes and specialized agencies to continue their efforts to align their planning cycles with the Quadrennial Comprehensive Policy Review (QCPR).

The need to assess system-wide efficiency, effectiveness and performance of the UN system at the country and global levels also met with general support. In this regard, we are of the view that the General Assembly should request the Secretary General to propose modalities for the establishment of a system-wide evaluation mechanism.

There is a widespread view in the membership concerning the need to enhance transparency and intergovernmental review of the activities developed by the UN system interagency bodies. In that regard, the General Assembly could also call for an improved and effective use of their reporting mechanisms at the intergovernmental level.

Finally, the General Assembly could also encourage the continued and increased cooperation, coordination and coherence between the United Nations and the Bretton Woods Institutions.

Turning to <u>funding of the UN system operational activities for development</u>, there is ample consensus that the most urgent priority for UN development cooperation is an adequate, predictable and stable funding base, responsive to national development plans of programme countries. The General Assembly has often emphasized the links among effectiveness, efficiency and coherence of the UN operational activities for development, the need to achieve results in assisting developing countries in their national development strategies, and the overall resourcing of the UN development system in line with commitments made in various fora.

In this regard, there is also broad concern about the impact of volatility in resources flows, the long-term decline in the share of core resources of overall contributions, the earmarking of non-core funding, and the imbalance between core and non-core resources. The broad membership has repeatedly signaled the need of greater flows and greater predictability in funding, and the necessity of implementing intergovernmental commitments in a serious manner. The General Assembly could reinforce the commitment to the increase of the voluntary contributions to core budgets of the UN development system bodies, according to the principles of sustainability and predictability.

As far as non-core resources are concerned, the General Assembly could request further analysis of the implications of various forms of such funding in terms of predictability, country-ownership and impact on the balanced implementation of intergovernmental mandates.

Finally, many delegations have recalled the need to improve the intergovernmental overview and monitoring of funding flows and commitments. We recommend that the General Assembly requests the Secretary General to create a central repository of information on UN operational activities for development, with disaggregated statistics on all funding forms and expenditures, and appropriate access and updating of information.

On the issue of the Delivering as One approach, having heard delegations, including those representing pilot countries, it is our understanding that the General Assembly is in a position to acknowledge progress made and challenges remaining in efforts to increase coherence in country-level programming.

In line with the resolution 62/208 on the Triennial Comprehensive Policy Review (TCPR), and building on developments taking place on the ground, the General Assembly could reiterate its call on the Secretary General to support pilot countries to undertake their own country-led evaluations. Furthermore, the General Assembly should underline the necessity for a truly independent evaluation, as mandated by the TCPR, and agree on the principles that should guide this exercise, such as inclusiveness, transparency, objectiveness and independence.

Finally, on harmonization of business practices, the General Assembly can similarly reiterate its call on the Secretary General to continue progress in this field, while requesting that ECOSOC and relevant intergovernmental bodies are regularly informed about progress made and challenges encountered in this regard.

*****

Our aspiration is that all delegations should be able to feel that these elements address many of their main priorities and concerns. We have tried to address all the issues on the System wide Coherence agenda in a balanced and objective manner. We believe that the General Assembly should be ready to take action in the areas where there is broad consensus and, in those areas needing further progress, set the roadmap for the continuation of the process. In that regard, in future sessions further efforts to strengthen governance of UN development cooperation will be required, in alignment with improvements in the funding architecture, and dealing effectively with challenges presented by voluntary paradigms currently developing on the ground. We all agree that changes are required and that in maintaining the status quo, we would be victims of inertia and short-term institutional and national interests. We must as a collective demonstrate the political will and vision required to make the necessary progress.

All in all, we consider that these elements provide the basis for a balanced and fair compromise outcome to the deliberations of the General Assembly during the current session. Therefore, it is our intention to use the elements contained in this letter as the outline for a draft resolution, to be circulated in early September with a view to its adoption by consensus of the General Assembly before the end of this session.

We thank all delegations for their positive cooperation and call on them to continue to be engaged in this process in a constructive manner. In doing so, the General Assembly would be making the best use of this opportunity to enhance the authority, relevance and credibility of the United Nations and, above all, to improve its ability to address effectively the development challenges of our time.

Kaire M. Mbuende
Permanent Representative of Namibia

Juan Antonio Yáñez-Barnuevo
Permanent Representative of Spain

Permanent Mission of the Republic of Namibia
to the United Nations
360 Lexington Avenue, Suite 1502
New York, N.Y. 10017

Permanent Mission of Spain to the United Nations
One Dag Hammarskjöld Plaza
245 East 47th Street, 36th Floor
New York, N.Y. 10017

11 September 2009

Excellency,

We have the honor to send you herewith the draft resolution on System-wide Coherence for adoption by the General Assembly. The attached document constitutes our best effort to have a consensus outcome for this important process. We trust that the draft resolution will be acceptable to all delegation as a compromise text reflecting the status of the intergovernmental discussions on System-wide Coherence.

Please accept, Excellency, the assurances of our highest consideration.

Kaire M. Mbuende
Permanent Representative of Namibia

Juan Antonio Yáñez-Barnuevo
Permanent Representative of Spain

H.E. Miguel d´Escoto Brockmann
President of the General Assembly
United Nations
New York

2009-09-11

SYSTEM – WIDE COHERENCE

The General Assembly,

Recalling the 2005 World Summit Outcome;

Recalling also its resolution 62/208 of 19 December 2007 on the triennial comprehensive policy review of United Nations operational activities for development (TCPR);

Recalling also its resolution 62/277 on System-wide coherence;

Recalling the Convention on the Elimination of All forms of Discrimination against Women, the Beijing Declaration and Platform of Action, and the outcome of the twenty-third special session of the General Assembly;

Reaffirming the importance of the comprehensive policy review of United Nations operational activities for development, through which the General Assembly establishes key system-wide policy orientations for the development cooperation and country-level modalities of the United Nations system;

Recalling the role of the Economic and Social Council in providing coordination and guidance to the United Nations system to ensure that those policy orientations are implemented on a system-wide basis in accordance with the General Assembly resolution 62/208 and other relevant resolutions;

Having considered the Discussion notes on "Further Details on Institutional Options for Strengthening the Institutional Arrangements for Support of Gender Equality and the Empowerment of Women (5 March 2009)", "Strengthening governance of operational activities for development of the United Nations system for enhanced system-wide coherence (15 April 2009)", and "Strengthening the system-wide funding architecture of operational activities of the United Nations for development (3 May 2009)", which the Deputy Secretary-General on behalf of the Secretary-General provided to the President of the General Assembly in response to a request from Member States;

Strengthening the institutional arrangements for support of gender equality and the empowerment of women.

1. *Strongly supports* the consolidation of the Office of the Special Adviser on Gender Issues and the Advancement of Women (OSAGI), the Division for the Advancement of Women (DAW), the United Nations Development Fund for Women (UNIFEM) and the United Nations International Research and Training Institute for the Advancement of Women (INSTRAW), into a composite entity, taking into account the existing mandates;

2. *Supports* that the composite entity shall be led by an Under-Secretary-General, who will report directly to the Secretary-General, to be appointed by the Secretary-General in consultation with Member States, on the basis of equitable geographical representation and gender balance;

3. *Requests* the Secretary-General to produce for consideration of the 64th session of the General Assembly a comprehensive proposal specifying, inter alia, the mission statement of the composite entity, organizational arrangements, including an organizational chart, funding, and the executive board to oversee its operational activities, so as to commence intergovernmental negotiations;

Strengthening governance of operational activities for development of the United Nations system for enhanced system-wide coherence

4. *Reaffirms* that the strengthening of the governance of United Nations operational activities for development should focus on enhancing existing intergovernmental bodies with the purpose to make the United Nations development system more efficient and effective in its support to developing countries to achieve the internationally agreed development goals;

5. *Underscores* that the governance of operational activities for development should be transparent and inclusive and support national ownership and national development strategies;

6. *Requests* the Secretary-General, in consultation with the United Nations system Chief Executives Board for Coordination (CEB), to propose to the General Assembly at its 64th session actionable proposals for the further improvement of the governance of United Nations system's operational activities for development;

7. *Requests* the Secretary –General, in consultation with members of United Nations system CEB and United Nations Development Group, to propose modalities to the General Assembly at its 64th session for the submission and approval of common country programmes on a voluntary basis, bearing in mind the importance of national ownership and effective intergovernmental oversight of the development process;

8. *Reaffirms* the importance of strengthening evaluation as a United Nations system function and the guidance contained to this effect in resolution 62/208 and, in this regard, *requests* the Secretary-General, in consultation with UN system CEB members, to propose modalities to the General Assembly at its 64th session for the establishment of an independent system-wide evaluation mechanism to assess system wide efficiency, effectiveness and performance, bearing in mind the evaluation functions carried out by respective United Nations organizations, by the Joint Inspection Unit and by the United Nations Evaluation Group;

9. *Urges* the United Nations system CEB and United Nations Development Group to enhance the transparency of their activities through regular briefings to the General Assembly and through their regular reports and effective interaction with ECOSOC and relevant intergovernmental bodies;

10. *Encourages* continued and increased cooperation, coordination and coherence and exchanges between the United Nations and the Bretton Woods institutions, and *requests* the SG, in consultation with the United Nations system CEB, to regularly appraise the General Assembly of progress made in this regard, as part of the QCPR/TCPR reporting;

Improving the funding system of operational activities for development of the United Nations system for enhanced system-wide coherence

11. *Emphasizes* that increasing financial contributions to the United Nations development system is key to achieving the internationally agreed development goals, including the Millennium Development Goals, and in this regard *recognizes* the mutually reinforcing links among increased effectiveness, efficiency and coherence of the United Nations development system, achieving concrete results in assisting developing countries in eradicating poverty and achieving sustained economic growth and sustainable development through operational activities for development and the overall resourcing of the United Nations development system;

12. *Stresses* that core resources, because of their untied nature, continue to be the bedrock of the operational activities for development of the United Nations system;

13. *Notes with concern* the continuing imbalance between core and non-core resources received by the operational activities for development of the United Nations system and the potential negative impact of non-core funding on the coordination and effectiveness of United Nations operational activities for

development at the country level, while recognizing that thematic trust funds, multi-donor trust funds and other voluntary non-earmarked funding mechanisms linked to organization-specific funding frameworks and strategies, as established by the respective governing bodies, constitute some of the funding modalities that are complementary to regular budgets;

14. *Urges* donors and other countries in a position to do so to substantially increase their voluntary contributions to the core/regular budgets of the United Nations development system, in particular its funds, programmes and specialized agencies, to contribute on a multi-year basis, in a sustained and predictable manner *and* to undertake voluntary commitments to provide a greater share of system wide contributions to United Nations operational activities as core/regular resources;

15. *Requests* the Secretary-General to include in his comprehensive statistical analysis of the financing of operational activities for development of the United Nations system further analysis and actionable proposals on the current situation and perspectives in respect of core and non-core funding for the United Nations development system, notably the implications of various forms of non-core funding, in terms of predictability, country ownership and the implementation of intergovernmental mandates;

16. *Requests* the Secretary-General to create a central repository of information on United Nations operational activities for development with disaggregated statistics on all funding sources and expenditures, building on the Secretary-General's comprehensive statistical analysis of the financing of operational activities for development of the United Nations system and to ensure appropriate and user friendly on-line access and regular updating of the information contained therein;

Delivering as One

17. *Acknowledges* the interim assessments of the progress made and the challenges remaining in efforts to increase coherence in country-level programming, including in the "programme country pilots";

18. *Encourages* the Secretary-General to support "programme country pilot" countries to undertake expeditiously their own country-led evaluations, with the participation of relevant stakeholders, and with the technical support of the United Nations Evaluation Group;

19. *Requests* the Secretary-General to urgently undertake arrangements for an independent evaluation of lessons learned from these efforts as requested in resolution 62/208 and to inform the General Assembly of the modalities and terms of reference of this independent evaluation at its 64th session;

20. *Underscores* that the independent evaluation should be guided by the principles contained in General Assembly resolution 62/208 with regard to national ownership and leadership and conducted in the context of system-wide norms and standards; that it should be based on an inclusive, transparent, objective, and independent approach; and that its outcome should be submitted to the General Assembly at its sixty-sixth session;

Harmonization of business practices

21. *Calls* on the SG in cooperation with members of the United Nations system CEB to continue progress in the simplification and harmonization of business practices within the United Nations development system and requests the Secretary-General in consultation with the United Nations system CEB to regularly inform the ECOSOC about progress being made and challenges encountered in this regard and to refer any matter requiring intergovernmental decision to the relevant intergovernmental bodies.

The way forward

22. *Decides* to continue the intergovernmental work of the General Assembly on System wide coherence on the issues addressed in this resolution during the 64th session with a view to achieving further substantive action in all areas, and resolves, at the conclusion of its entire process on System wide coherence, to review and take stock of all its prior actions and deliberations in a single resolution or decision.

UNITED NATIONS

DRAFT

PROPOSED ORGANIZATIONAL STRUCTURE FOR A NEW GENDER EQUALITY ENTITY

8 JUNE 2009

CURRENT STAFFING AND FUNDING SITUATION OF THE UN GENDER-SPECIFIC ENTITIES

Entity	Staffing	Funding**
OSAGI/DAW	37	10.4
INSTRAW	9	1.6
UNIFEM	232*	76.7
Total	278	88.7

(*) Out of the 232 posts, 167 are located in the field.
(**) 2008-2009 Budget in US $ millions [Posts and Non-Posts]

KEY ASSUMPTIONS FOR STRUCTURE DESIGN

A new Gender Equality Entity would:

- **Be led by a USG, member of the CEB, assisted by two Deputies at the ASG level;**
- **Be positioned, authorized and mandated in a way to support the UN system and hold it accountable for gender mainstreaming;**
- **Undertake all the functions as previously outlined by the DSG's papers of 1 August 2007 and 23 July 2008;**
- **Have strong and strategic field presence so as to provide robust support to Member States for country-driven catalytic programming and targeted technical cooperation, within available resources;**
- **Maintain and strengthen collaboration between Member States, the UN system and civil society , particularly women's NGOs and networks, in pursuit of gender equality and women's empowerment.**

Draft, Not to be Quoted

FUNCTIONS TO BE PERFORMERD BY THE ENTITY

8 JUNE 2009

Draft, Not to be Quoted

FUNCTIONS

- F(a) : Lead innovative and catalytic country-driven programming, gender mainstreaming and capacity-building, and provide targeted technical cooperation and capacity-building in line with national strategies.

- F(b): Provide substantive support to United Nations bodies (CSW, the Economic and Social Council, the General Assembly and the Security Council) where commitments, norms and policy recommendations on gender equality and gender mainstreaming are discussed and agreed upon.

Draft, Not to be Quoted

FUNCTIONS (cont'd)

- F(c): Build on the comparative advantage of United Nations actors, lead and coordinate the systems' strategies, policies and actions on gender equality and women's empowerment, and promote effective system-wide gender mainstreaming.

- F(d): Ensure accountability of the United Nations system, including through oversight, monitoring and reporting of system-wide performance.

FUNCTIONS (Cont'd)

- F(e): Undertake global, regional and national advocacy efforts on issues critical to gender equality and women's empowerment to ensure that emerging, under-recognized and under-resourced issues receive national, regional and global attention.

- F(f): Undertake new and consolidate existing research and analytical work, to support overall objectives, including acting as a clearing house for knowledge and experience on gender equality and empowerment of women from all parts of the United Nations system.

FUNCTIONS (cont'd)

- F(g): Monitor the implementation of the 12 critical areas of the Beijing Platform for Action, the Outcome Document of the twenty-third Special Session of the General Assembly, and Security Council resolution 1325 (2000); and

- F(h): Monitor and report on system-wide compliances with intergovernmental mandates on gender balance including at senior/decision-making levels.

GENDER EQUALITY ENTITY

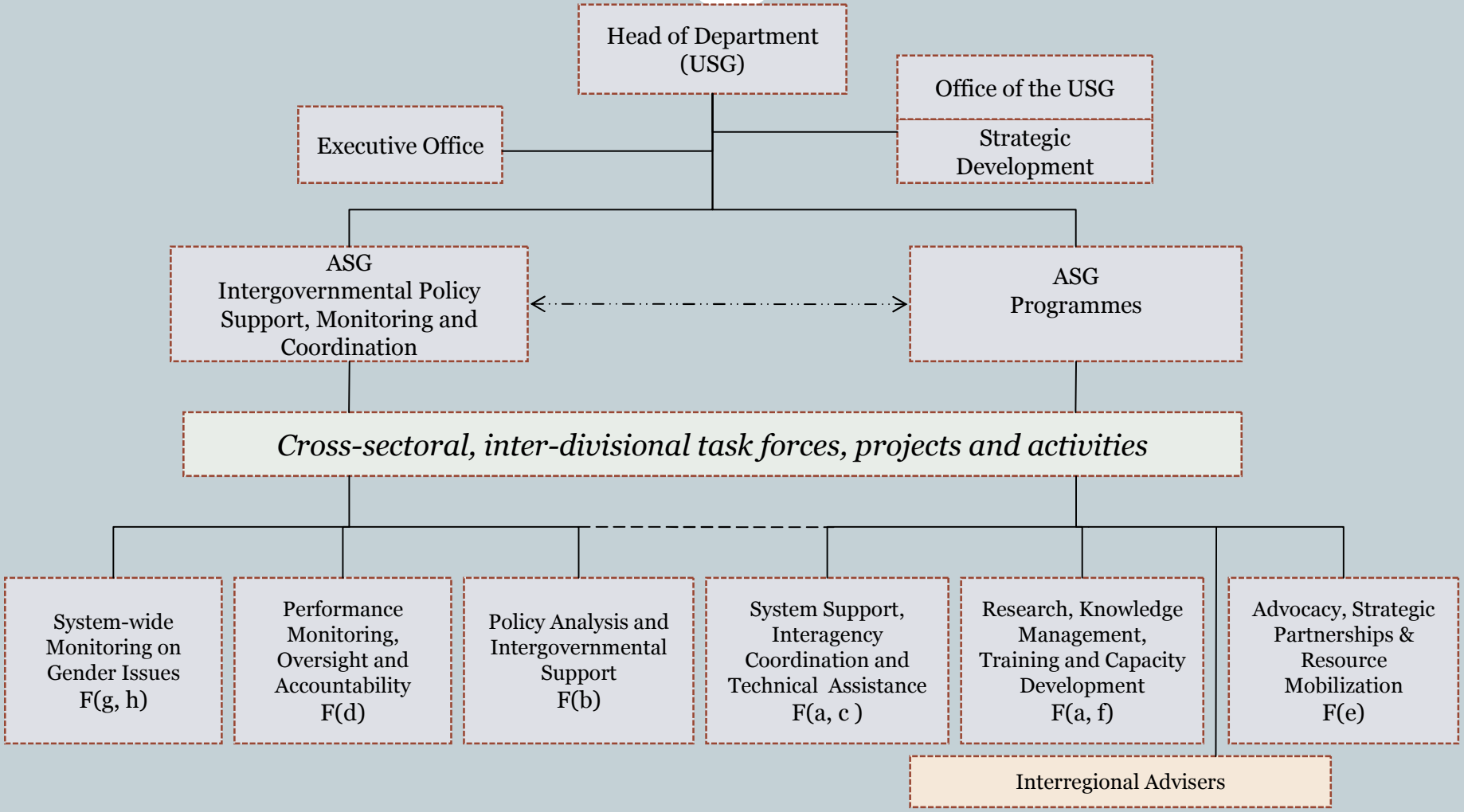
9

OVERALL STRUCTURE OF THE ENTITY

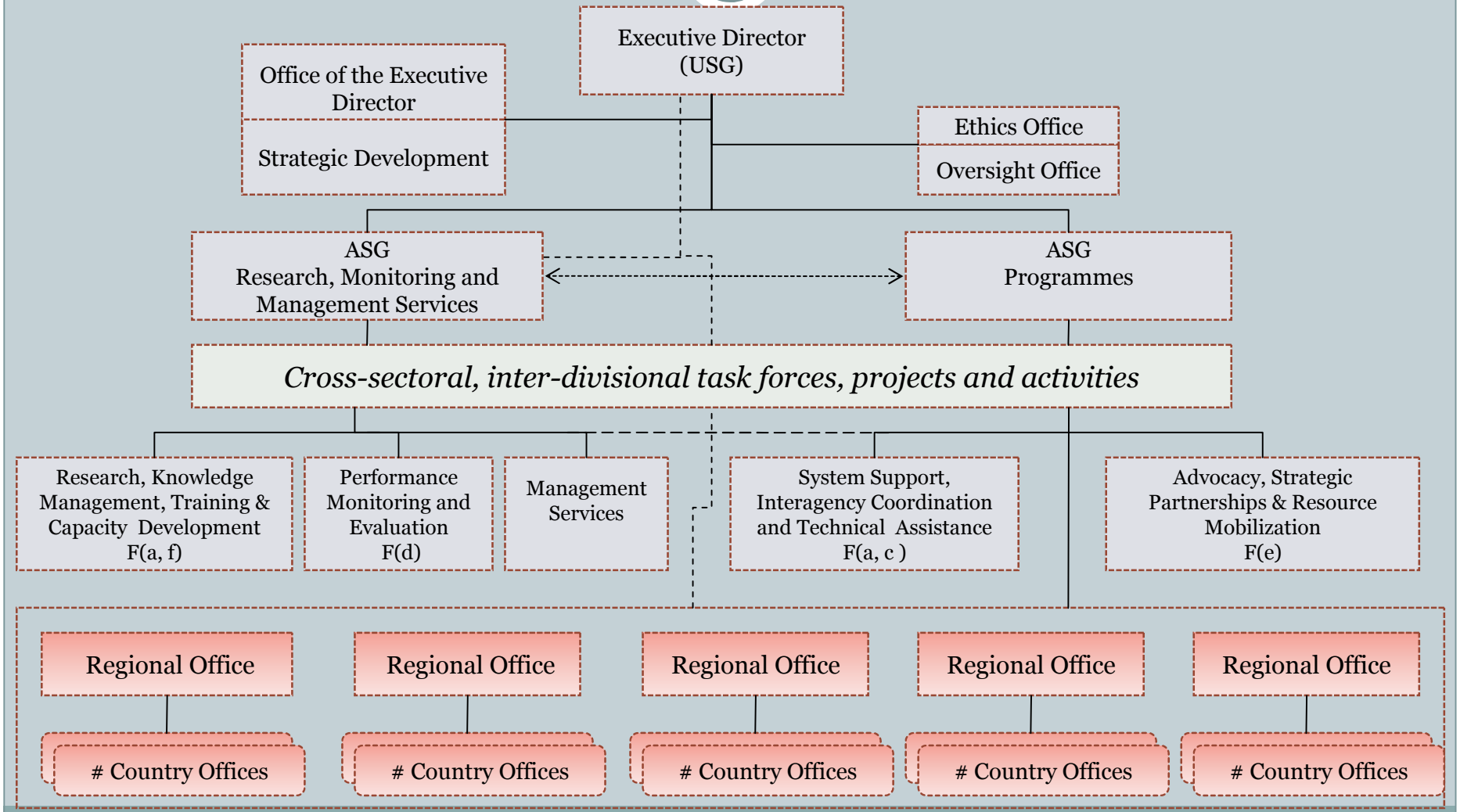
8 JUNE 2009

Draft, Not to be Quoted

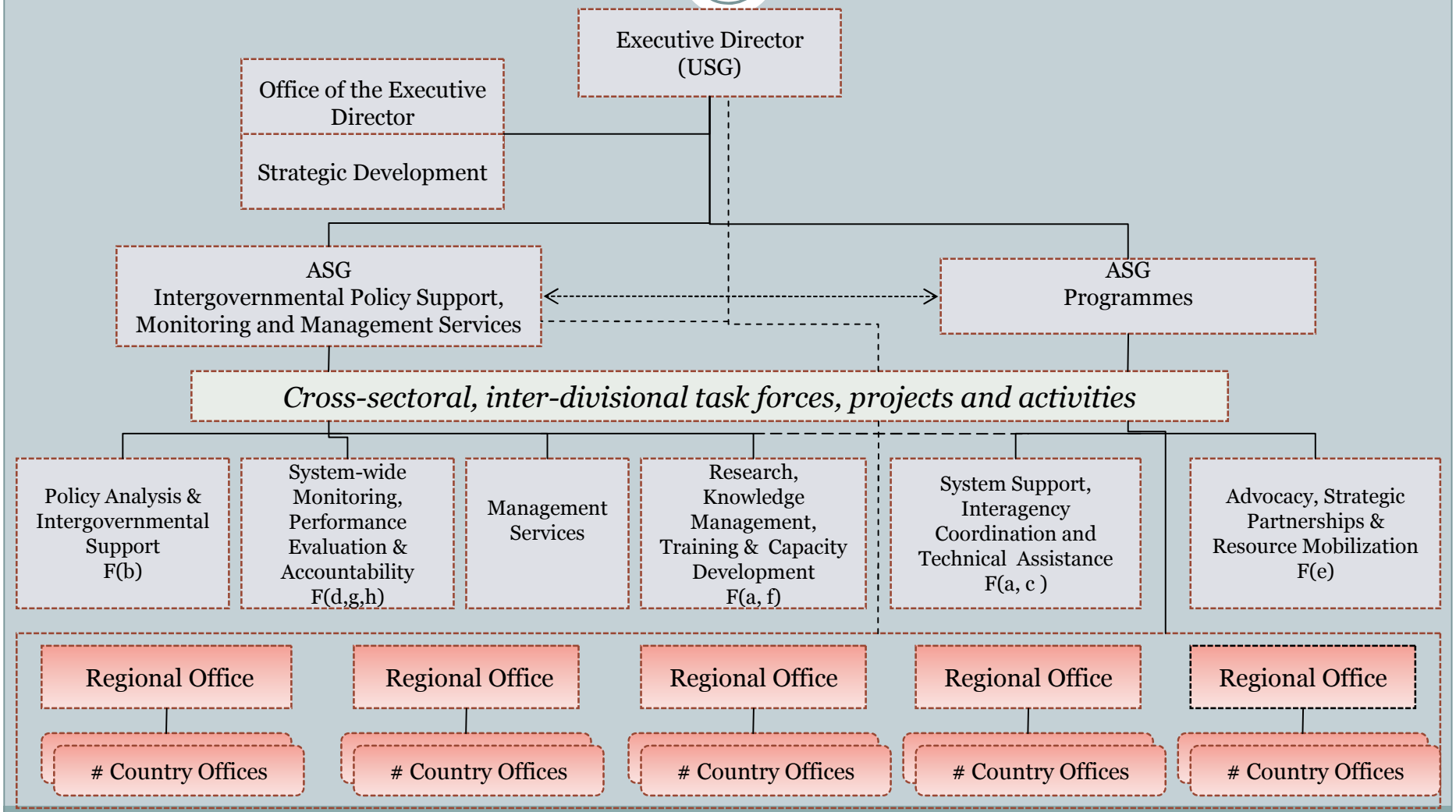
OVERALL STRUCTURE OF THE GENDER EQUALITY ENTITY - Department



OVERALL STRUCTURE OF THE GENDER EQUALITY ENTITY – Fund or Programme



OVERALL STRUCTURE OF THE GENDER EQUALITY ENTITY – Composite



Draft, Not to be Quoted

GENDER EQUALITY ENTITY

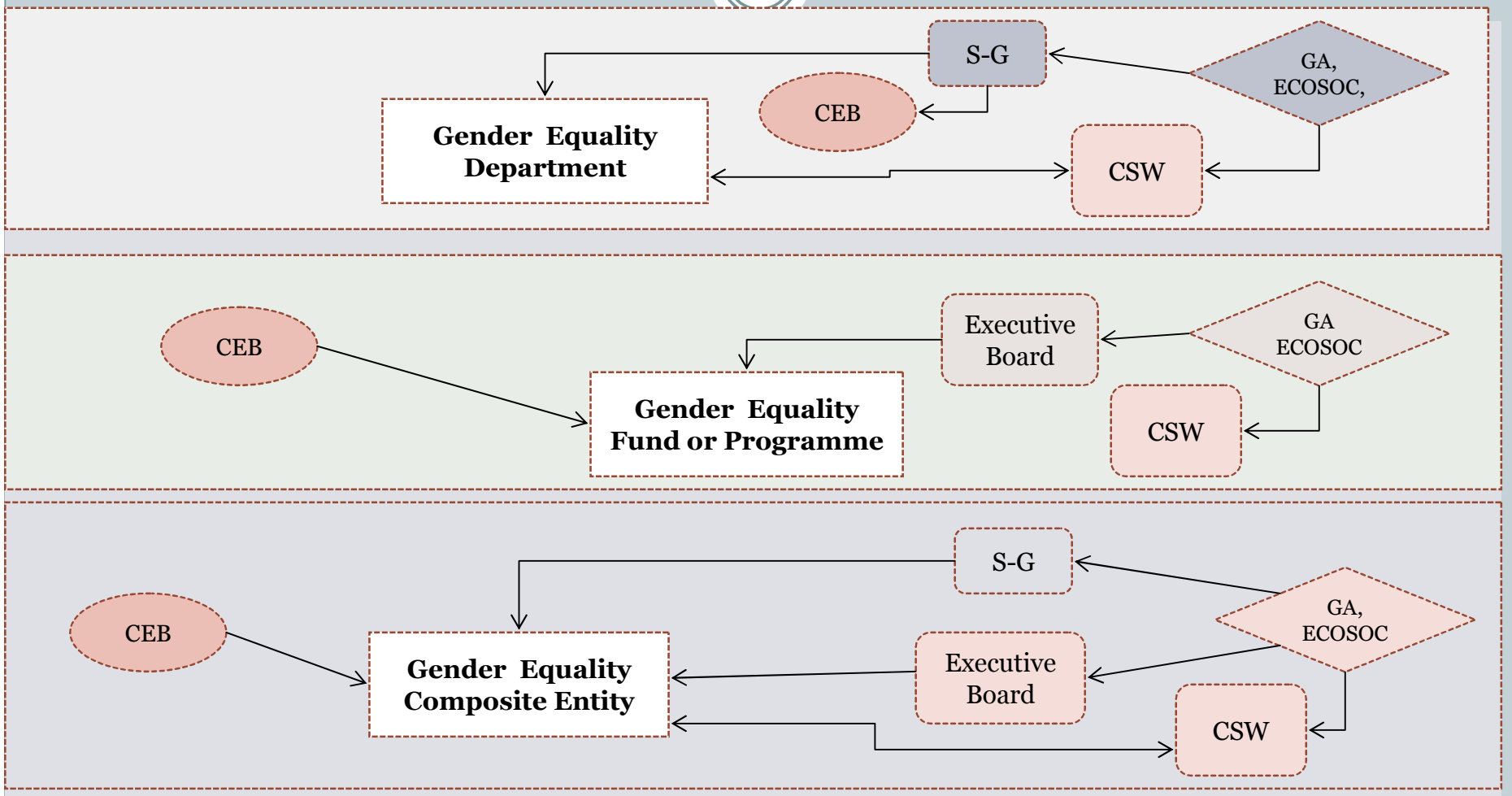
13

GOVERNANCE STRUCTURE AND INTERACTIONS WITH KEY STAKEHOLDERS

8 JUNE 2009

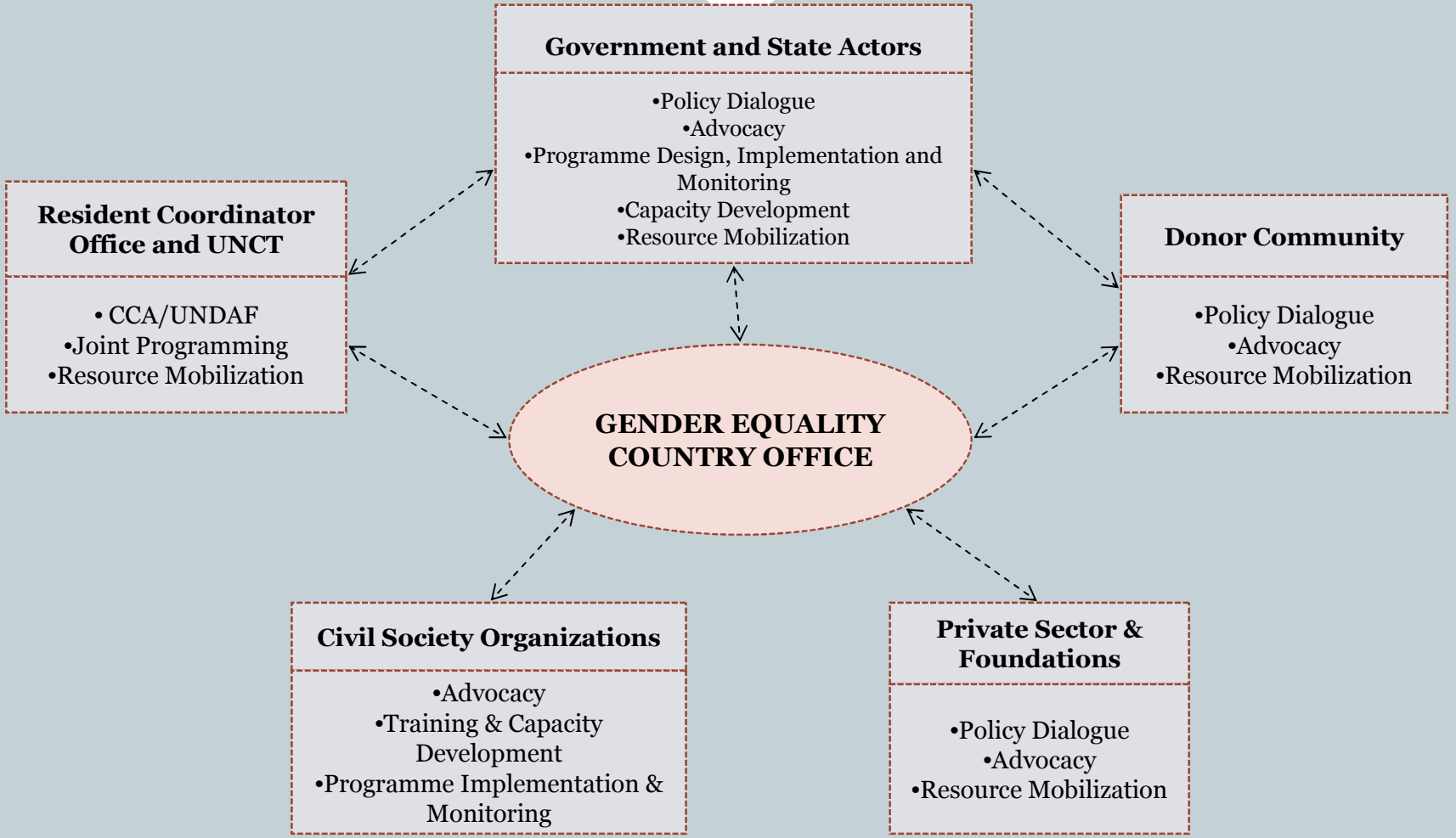
Draft, Not to be Quoted

GOVERNANCE STRUCTURE OF EACH OPTION

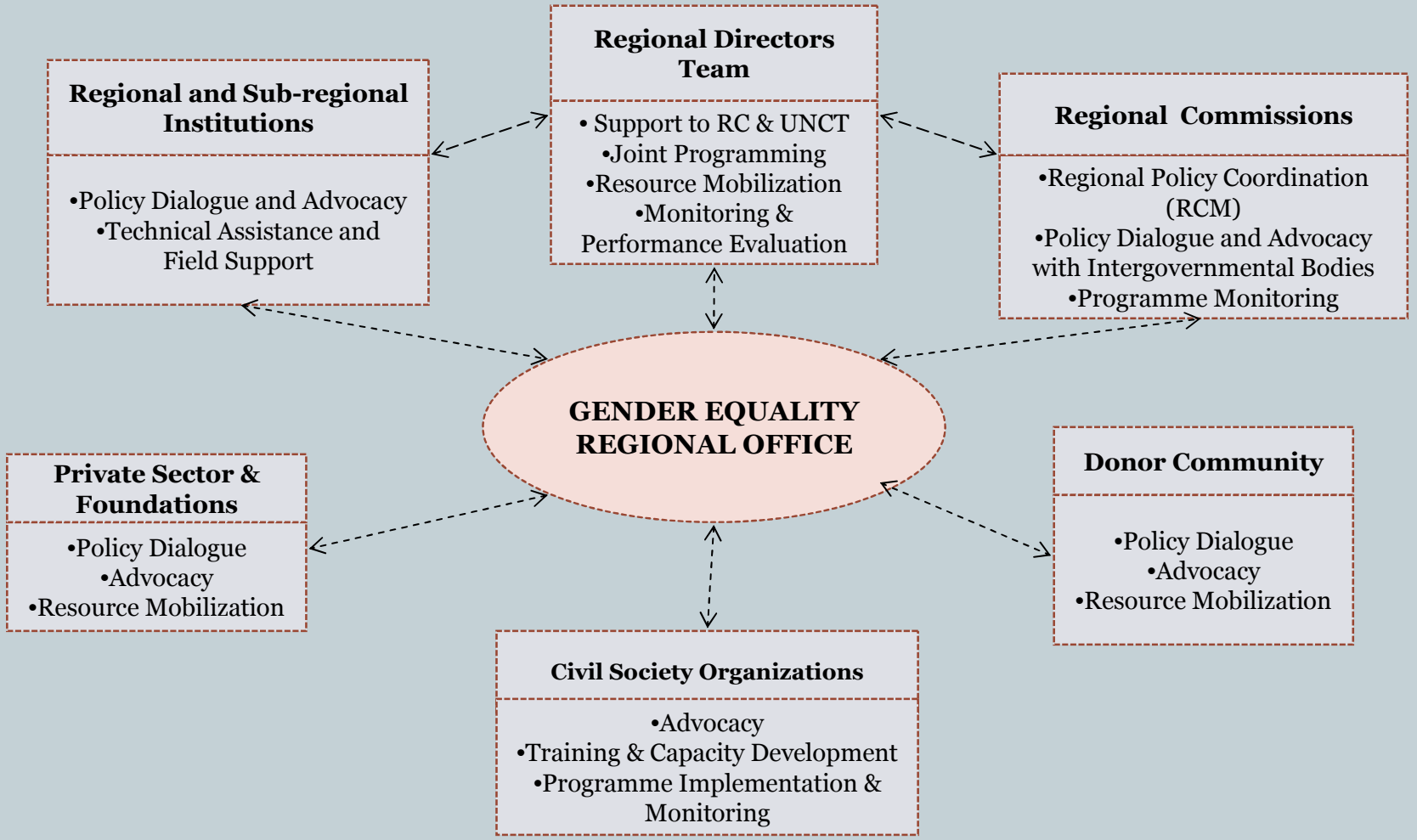


Draft, Not to be Quoted

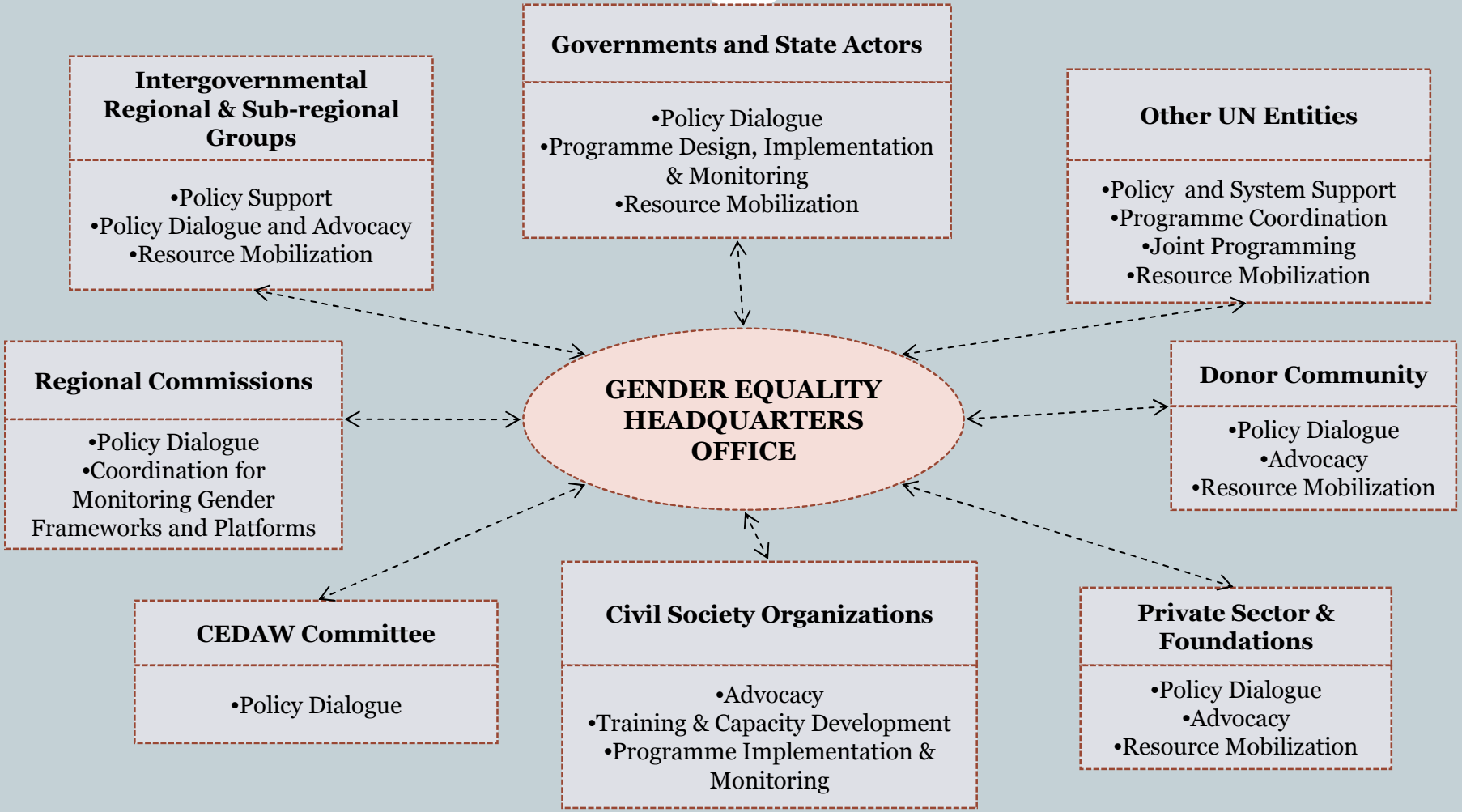
INTERACTIONS WITH KEY STAKEHOLDERS AT COUNTRY LEVEL



INTERACTIONS WITH KEY STAKEHOLDERS AT REGIONAL LEVEL



INTERACTIONS WITH KEY STAKEHOLDERS AT HQ LEVEL



GENDER EQUALITY ENTITY

18

STAFFING & RELATED COSTS

8 JUNE 2009

Draft, Not to be Quoted

STAFFING COMPARISON TABLE

Field Staff in Parentheses

LEVEL	DEPARTMENT	FUND/PROGRAMME	COMPOSITE
USG	1 (0)	1 (0)	1 (0)
AGS	2 (0)	2 (0)	2 (0)
D2	6 (0)	10 (5)	11 (5)
D1	21 (0)	45 (30)	45 (30)
P5	25 (0)	77 (60)	78 (60)
P4	18 (0)	35 (20)	36 (20)
P3/P2	13 (0)	66 (55)	67 (55)
NO	0 (0)	400 (400)	400 (400)
GS PL	3 (0)	3 (0)	4 (0)
GS OL	55 (0)	402 (350)	405 (350)
TOTAL	144 (0)	1041 (930)	1049 (930)
% Field Posts	0	89.3	88.7

ESTIMATED STAFFING COSTS FOR EACH OPTION

(INCLUDING SALARY AND POST ADJUSTMENT COSTS, RECURRENT PAYROLL COSTS AND NON-RECURRENT PAYROLL COSTS)

20

DEPARTMENT

- Total Number of Posts: 144 (All based in NY)
- Cost: $ 24,312,561.00 (all from Assessed Contributions)

FUND OR PROGRAMME

- Total Number of Posts: 1041 (HQ: 111; RO: 80; CO: 850)
- $ 124,012,083.00 (All from Voluntary Contributions)

COMPOSITE

- Total Number of Posts: 1049 (HQ: 119; RO: 80; CO: 850)
- $ 125,216,964.00 ($ 19,911,294 from Assessed Contributions, which is equal to 15.9%; and $105,305,670 from Voluntary Contributions , which is equal to 84.1%)

THE PROPOSED PHASED APPROACH AS REGARD TO THE FUNDING OF THE COMPOSITE ENTITY

However, in consideration of costs and to allow a review mechanism, it is proposed that a <u>phased approach</u>, is adopted:

- **PHASE I:** Staffing Costs for Top Management and staff of 3 HQ divisions under ASG Policy Support are covered from assessed contributions estimated at **$ 10,663,534.00**; staff of Research Division under the same ASG, as well as all other staff under ASG Programmes will be covered from Voluntary contributions estimated at **$49,344,095.00** with commitment to move to Phase II depending on performance and lessons learned during the first 5 years.

THE PROPOSED PHASED APPROACH AS REGARD TO THE FUNDING OF THE COMPOSITE ENTITY

- **PHASE II:** Staffing Costs for Top Management and staff of the 4 HQ divisions under ASG Policy Support are covered from assessed contributions estimated at **$ 14,144,885.00**; all other staff will be covered from Voluntary contributions estimated at **$69,882,599.00** with commitment to move to Phase III depending on performance and lessons learned during Phase II.

- **PHASE III:** We will build on Phases I & II as we go along so that we can then be at the desired Composite Entity as it is with the 6 HQ divisions funded from assessed contributions estimated at **$19,911,294.00**; all field staff being funded from voluntary contributions: **$105,305,670.00**.

SUMMARY TABLE

	Status Quo	Phase I	Phase II	Phase III
TYPE OF STRUCTURE				
• Top Management	1ASG	1USG, 2ASGs	1USG, 2ASGs	1USG, 2ASGs
• # HQ Divisions/Offices (*Paid from Assessed Contributions*)	2	3	4	6
• # Country Offices (type I;type II)	10	15 (5;10)	30 (10;20)	50 (25;25)
• # Regional Offices	15	5	5	5
NUMBER OF POSTS				
• Country Level	167	230	430	850
• Regional Level		80	80	80
• HQ Level (ASS;VOL)	65	119 (62;57)	119 (84;35)	119 (119;0)
STAFF COSTS				
• Assessed Contributions	$5.2M	$10,663,534	$14,144,885	$19,911,294
• Voluntary Contributions	$39.9M	$ 49,344,095	$69,882,599	$105,305,670
• Total Costs	**$45.1M**	**$60,007,629**	**$ 84,027,484**	**$125,216,964**

NB: *Taking into account the fact that the Status Quo is not an option, the Composite may start with Phase I with commitment from Member States to move to Phase II or III depending on progress made and lessons learned during the first five years.*

THE CASE FOR THE PROPOSED ORGANIZATIONAL STRUCTURE AND LEVEL OF STAFFING COSTS FOR THE COMPOSITE

If the Gender Composite Entity is constituted as proposed, it would strengthen the UN system's work on gender equality and women's empowerment by:

- Working under a **governance arrangement** that strengthens links between normative and operational policies.
- Acting as the **policy driver for the UN system** on gender issues.
- Having the **required authority and positioning** within the UN system for a close coordination between UN agencies in planning and implementation of country-driven activities.

THE CASE FOR THE PROPOSED ORGANIZATIONAL STRUCTURE AND LEVEL OF STAFFING COSTS FOR THE COMPOSITE (cont'd)

- Having the **ability to act with some flexibility** especially in its activities at the field level to **provide timely and robust support to Member States.**
- Making the UN system **speak and act with one voice**.
- Maintaining **strong and strategic partnerships** which can mobilize resource beyond Member States and reach out to other key stakeholders such as CSOs and the Private Sector.
- Being **field-focused** through the establishment of **strategic operational presence** at both regional and country level.
- Making the **best use of expertise and competencies** available on the ground, hence contributing to capacity development.

THANK YOU

ANNEX - A

EXTENT TO WHICH FUNCTIONS ARE PERFORMED BY A DEPARTMENT OF THE UN SECRETARIAT

8 JUNE 2009

Draft, Not to be Quoted

GENDER EQUALITY DEPARTMENT

Functions

- F(a) : Lead innovative and catalytic country-driven programming, gender mainstreaming and capacity-building, and provide targeted technical cooperation and capacity-building in line with national strategies.

- F(b): Provide substantive support to United Nations bodies (CSW, the Economic and Social Council, the General Assembly and the Security Council) where commitments, norms and policy recommendations on gender equality and gender mainstreaming are discussed and agreed upon.

Remarks

- *While the Department would be positioned to provide links between normative and operational activities, it would support country activities through a network of technical advisers rather than a more permanent field presence. It would thus have limited opportunities to strengthen attention to gender perspectives across sectors and would not be able to play a major role in implementing function (a)* [Para 29].

GENDER EQUALITY DEPARTMENT (cont'd)

Functions	Remarks
• F(c): Build on the comparative advantage of United Nations actors, lead and coordinate the systems' strategies, policies and actions on gender equality and women's empowerment, and promote effective system-wide gender mainstreaming.	• *While the Department would be positioned to provide links between normative and operational activities, it would support country activities through a network of technical advisers rather than a more permanent field presence. It would thus have limited opportunities to strengthen attention to gender perspectives across sectors and would not be able to play a major role in implementing function (a)* [Para 29].
• F(d): Ensure accountability of the United Nations system, including through oversight, monitoring and reporting of system-wide performance.	• *Function will be carried out at the Headquarters level.*

GENDER EQUALITY DEPARTMENT (cont'd)

Functions	Remarks
• F(e): Undertake global, regional and national advocacy efforts on issues critical to gender equality and women's empowerment to ensure that emerging, under-recognized and under-resourced issues receive national, regional and global attention.	• *Function will be carried out at Headquarters and the field levels.*
• F(f): Undertake new and consolidate existing research and analytical work, to support overall objectives, including acting as a clearing house for knowledge and experience on gender equality and empowerment of women from all parts of the United Nations system.	• *Function will be carried out at the Headquarters level.*

GENDER EQUALITY DEPARTMENT (cont'd)

Functions	Remarks
• F(g): Monitor the implementation of the 12 critical areas of the Beijing Platform for Action, the Outcome Document of the twenty-third Special Session of the General Assembly, and Security Council resolution 1325 (2000); and	• *Function will be carried out at Headquarters, regional and country levels.*
• F(h): Monitor and report on system-wide compliances with intergovernmental mandates on gender balance including at senior/decision-making levels.	• *Function will be carried out at the Headquarters.*

ANNEX - B

EXTENT TO WHICH FUNCTIONS ARE PERFORMED BY A UN FUND OR PROGRAMME

8 JUNE 2009

Draft, Not to be Quoted

GENDER EQUALITY FUND OR PROGRAMME

Functions	Remarks
• F(a) : Lead innovative and catalytic country-driven programming, gender mainstreaming and capacity-building, and provide targeted technical cooperation and capacity-building in line with national strategies.	• *Country and regional levels.*
• F(b): Provide substantive support to United Nations bodies (CSW, the Economic and Social Council, the General Assembly and the Security Council) where commitments, norms and policy recommendations on gender equality and gender mainstreaming are discussed and agreed upon.	• *Responsibility for substantive servicing and supporting to the normative and policy work of the UN inter-governmental bodies would remain within the UN Secretariat. Accordingly, the Fund or Programme would not undertake functions (b) and (g) as these are functions typically carried out by the UN Secretariat, nor would it undertake functions (h) as this is also a Secretariat function.* (Para 18).

GENDER EQUALITY FUND OR PROGRAMME (cont'd)

Functions	Remarks
• F©: Build on the comparative advantage of United Nations actors, lead and coordinate the systems' strategies, policies and actions on gender equality and women's empowerment, and promote effective system-wide gender mainstreaming.	• *Headquarters, Regional and Country levels. However, policy and normative dimensions cannot be covered by the Entity, being a Fund/Programme*
• F(d): Ensure accountability of the United Nations system, including through oversight, monitoring and reporting of system-wide performance.	• *All levels, with Headquarters playing the leadership and coordination role. However given the autonomous nature of a Fund or Programme, this function would most probably not be fully carried out.*

Draft, Not to be Quoted

GENDER EQUALITY FUND OR PROGRAMME (cont'd)

Functions	Remarks
• F(e): Undertake global, regional and national advocacy efforts on issues critical to gender equality and women's empowerment to ensure that emerging, under-recognized and under-resourced issues receive national, regional and global attention.	• *Headquarters, Regional and Country levels*
• F(f): Undertake new and consolidate existing research and analytical work, to support overall objectives, including acting as a clearing house for knowledge and experience on gender equality and empowerment of women from all parts of the United Nations system.	• *Headquarters.*

GENDER EQUALITY FUND OR PROGRAMME (cont'd)

Functions	Remarks
• F(g): Monitor the implementation of the 12 critical areas of the Beijing Platform for Action, the Outcome Document of the twenty-third Special Session of the General Assembly, and Security Council resolution 1325 (2000); and • F(h): Monitor and report on system-wide compliances with intergovernmental mandates on gender balance including at senior/decision-making levels.	• *Responsibility for substantive servicing and supporting to the normative and policy work of the UN inter-governmental bodies would remain within the UN Secretariat. Accordingly, the Fund or Programme would not undertake functions (b) and (g) as these are functions typically carried out by the UN Secretariat, nor would it undertake functions (h) as this is also a Secretariat function.* (Para 18).

ANNEX - C

EXTENT TO WHICH FUNCTIONS ARE PERFORMED BY A COMPOSITE ENTITY

8 JUNE 2009

Draft, Not to be Quoted

COMPOSITE ENTITY

Functions	Remarks
• F(a) : Lead innovative and catalytic country-driven programming, gender mainstreaming and capacity-building, and provide targeted technical cooperation and capacity-building in line with national strategies.	• *Country and regional levels*
• F(b): Provide substantive support to United Nations bodies (CSW, the Economic and Social Council, the General Assembly and the Security Council) where commitments, norms and policy recommendations on gender equality and gender mainstreaming are discussed and agreed upon.	• *Headquarters level.*

COMPOSITE ENTITY - (cont'd)

Functions	Remarks
• F©: Build on the comparative advantage of United Nations actors, lead and coordinate the systems' strategies, policies and actions on gender equality and women's empowerment, and promote effective system-wide gender mainstreaming.	• *Headquarters, Regional and Country levels*
• F(d): Ensure accountability of the United Nations system, including through oversight, monitoring and reporting of system-wide performance.	• *All levels, with Headquarters playing the leadership and coordination role.*

COMPOSITE ENTITY – (cont'd)

Functions	Remarks
• F(e): Undertake global, regional and national advocacy efforts on issues critical to gender equality and women's empowerment to ensure that emerging, under-recognized and under-resourced issues receive national, regional and global attention.	• *Headquarters, Regional and Country levels*
• F(f): Undertake new and consolidate existing research and analytical work, to support overall objectives, including acting as a clearing house for knowledge and experience on gender equality and empowerment of women from all parts of the United Nations system.	• *Headquarters.*

COMPOSITE ENTITY – (cont'd)

Functions	Remarks
• F(g): Monitor the implementation of the 12 critical areas of the Beijing Platform for Action, the Outcome Document of the twenty-third Special Session of the General Assembly, and Security Council resolution 1325 (2000); and	• *Headquarters, Regional and Country levels.*
• F(h): Monitor and report on system-wide compliances with intergovernmental mandates on gender balance including at senior/decision-making levels.	• *Headquarters.*

Tentative program of work (as outlined by the Permanent Representative of Spain at the end of the interactive meeting on Governance held on 8 May 2009).

Tuesday 19 May. Informal consultations on the Secretary-General´s paper on **Funding.** The paper was distributed to all MS on 11 May. In the last week of May (date to be confirmed) there will be an interactive meeting to continue the consideration of the document on Funding.

Wednesday 20 May. Interactive meeting with UN bodies on **gender**. The additional information requested to the Secretariat on 15 April will be sent to MS by 15 May. After the meeting on 20 May the Co-Chairs will work on an executive summary reflecting the status of the discussions and the way forward.

Outline for **June** (dates of the meetings will be confirmed in due course).

-an information session on “Delivering as One” will be organized.

-Joint interactive meeting on Funding and Governance.

-Interactive meeting on gender.

-In the second half of June, the Co-Chairs plan to convene one meeting in the format of informal consultations to take stock of the progress made on the three main themes (Gender, Governance and Funding), build consensus and identify those issues that require further work.

Additional meetings will be convened as needed.

The Co-Chairs will also have bilateral contacts with individual Member States and regional groups on the matters under discussion.

THE DEPUTY SECRETARY-GENERAL

5 May 2009

Dear Mr. President,

It is my pleasure to refer to your letter of 3 November 2008, regarding the request by the General Assembly contained in its resolution A/RES/62/277. In paragraph 4 of the Resolution, the General Assembly requests the Secretary-General to provide to Member States substantive papers on the issues of funding and governance as those issues arise in the context of system-wide coherence with a view to facilitating substantive action by the General Assembly within the sixty-third session.

I am pleased to submit to you the attached paper entitled, "Strengthening the system-wide funding architecture of operational activities of the United Nations for development". This Paper examines the overall trends and challenges in financing UN operational activities for development. Based on the analysis of the strengths and weaknesses of existing funding mechanisms, it also raises a set of focused recommendations to enhance the effectiveness and coherence of the present funding system.

The ten recommendations proposed in this Paper build on the broad consensus emerging from the informal consultations in the context of the 61st and 62nd sessions of the Assembly. The recommendations focus on strengthening the existing funding architecture rather than suggesting major structural reforms. These recommendations are grouped under the key parameters for strengthening the funding system, notably ensuring adequate resource flows, improving organizational performance and enhancing aid effectiveness.

This Paper was prepared in close consultation with UN funds, programmes and specialized agencies, as well as various inter-agency mechanisms. It reflects the collective vision of the UN on the system-wide funding architecture of UN operational activities for development.

His Excellency
Mr. Miguel D'Escoto Brockmann
President of the General Assembly
New York

A coherent funding architecture underpins progress in other areas of system-wide coherence, such as governance in particular, as was underscored by Member States during the informal consultation on governance on 24 April.

Your leadership, Mr. President, is key to mobilizing sustained political momentum towards concrete advances on system-wide coherence. I would hence like to reiterate my unwavering support for the work of your Co-Facilitators under your committed guidance. I look forward to fruitful informal consultations and concrete outcomes on this important issue.

Please accept, Mr. President, the assurances of my highest consideration.

Asha-Rose Migiro

Discussion Note

Strengthening the system-wide funding architecture of operational activities of the United Nations for development

United Nations Secretariat
New York

3 May 2009

Contents

A. **Introduction** 1

B. **Background** 2

(a) Trends in resources flows 2

(b) Renewed focus on organizational performance 13

(c) Aid effectiveness moves centre stage 15

(d) Towards country-level coherence 16

(e) Key policy messages 18

C. **Possible options for way forward** 19

Resources flows *20*

Recommendation 1: Renew commitment to funding volumes *20*

Recommendation 2: Provide minimum of 50 per cent of system-wide contributions as core/regular funding *21*

Recommendation 3: Revise budgetary laws and practices to allow for multi-year core funding commitments *21*

Recommendation 4: Channel minimum of 50 per cent of system-wide non-core/extra-budgetary resources to thematic funds linked to strategic plans adopted by governing bodies *22*

Recommendation 5: Support establishment of common country funds to fill funding gaps in common country programmes *22*

Organizational performance *23*

Recommendation 6: Reform multi-year strategic planning frameworks *23*

Recommendation 7: Establish common standard to assess organizational and operational effectiveness *23*

Aid effectiveness *24*

Recommendation 8: Harmonize results-based management, monitoring and evaluation and reporting systems at country-level *24*

Recommendation 9: Standardize funding terminology and procedures *24*

Recommendation 10: Publish biennial aid effectiveness report *25*

D. **Conclusion** 25

Annex

Strategies to enhance predictability of voluntary core resources flows and policy coherence **26**

List of acronyms

BWIs	Bretton Woods Institutions
CEB	Chief Executive Board (for Coordination)
CERF	Central Emergency Response Fund
DaO	Delivering-as-One
DAC	Development Assistance Committee
DCF	Development Cooperation Forum
ECOSOC	Economic and Social Council
FAO	Food and Agriculture Organization
FBN	Finance and Budgetary Network
GA	General Assembly
GAVI	Global Alliance for Vaccines and Immunization
GEF	Global Environment Facility
GFATM	Global Fund for Aids, Tuberculosis, and Malaria
GNI	Gross National Income
HLCM	High-level Committee on Management
IADGs	Internationally-agreed development goals
ICT	Information and communications technologies
IDA	International Development Association
IFAD	International Fund for Agricultural Development
ILO	International Labour Organization
IPA	Immediate Plan of Action
IPSAS	International Public Service Accounting Standards
LDCs	Least-developed countries
M&E	Monitoring and evaluation
MDGs	Millennium Development Goals
MDG-F	Millennium Development Goals Achievement Fund
MDTF	Multi-donor trust fund
MOPAN	Multilateral Organizations Performance Assessment Network
MTSP	Medium-Term Strategic Plan
MYFF	Multi-year funding framework
ODA	Official development assistance
OECD	Organization for Economic Co-operation and Development
RBM	Results-based management
RBSA	Regular Budget Supplementary Account
TB	Tuberculosis
UN	United Nations
UNAIDS	Joint United Nations Programme on HIV and AIDS
UNCT	United Nations country team
UNDAF	United Nations Development Assistance Framework
UNDESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNDG	United Nations Development Group
UNEG	United Nations Evaluation Group
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund

UNOPS	United Nations Office for Project Services
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
VISC	Voluntary Indicative Scale of Contributions
WFP	World Food Programme
WG	Working Group
WHO	World Health Organization

A. Introduction

1. The current note has been prepared in response to General Assembly resolution 62/277 on System-wide Coherence, adopted by consensus on 15 September 2008, which requested the Secretary-General "drawing on the resources and expertise of the United Nations system and building on the outcome of [the] triennial comprehensive policy review, to provide to Member States substantive papers on the issues of funding and governance, as these issues arise in the context of system-wide coherence, with a view to facilitating substantive action by the General Assembly". The present note focuses on the issue of funding.[1]

2. Member States have engaged in extensive informal consultations on United Nations (UN) system-wide coherence during the 61st and 62nd sessions of the General Assembly (GA). There has been broad consensus that:

- An improved funding system is key to more coherent and coordinated system-wide performance, including enhanced cost-effective delivery of services;
- The fragmented nature of the funding architecture of UN operational activities for development undermines the ability of the UN system to pursue coordinated implementation of the global development agenda, including the achievement of development results;
- Improving the efficiency, effectiveness and coherence of UN development cooperation is key to increased and more predictable funding;
- High transaction cost is undermining the effectiveness of UN development cooperation at country-level;
- The current imbalance between core and non-core resources risks weakening the normative and analytical capacity of UN entities, and has negatively impacted the effectiveness and coherence of UN development cooperation, encouraging supply-driven, rather than demand-driven approaches, and undermining the principle of country leadership and ownership;
- Adequate, timely, predictable and non-earmarked core funding is essential to sustain the basic capacities of the UN system;
- Voluntary, non-earmarked contributions linked to multi-year strategic or funding frameworks adopted by governing bodies are complementary to regular resources;
- A strengthened funding system for operational activities for development of the UN system should build on existing arrangements, not lead to the creation of a new, overarching and additional mechanism with narrow substantive focus;

[1] This note should be read in conjunction with a separate paper on governance, as well as the Secretary-General's reports on comprehensive statistical analysis of the financing of operational activities for development of the UN system for 2006 (A/63/71 – E/2008/46) and trends in contributions to operational activities for development of the UN system and measures to promote an adequate, predictable and expanding base of UN development assistance (A/63/201).

- ❖ Savings incurred from initiatives to enhance system-wide coherence, efficiency and effectiveness of UN operational activities for development should be ploughed back into programmes at the country-level.

B. Background

(a) Trends in resources flows

Contributions peaked in 2005, since stagnated, with future uncertain

3. From 1995 to 2005, contributions to UN operational activities for development grew at more rapid rate than total official development assistance (ODA), or 9.9 per cent annually, compared to 2.6 per cent for non-UN multilateral ODA, and 6.9 per cent for bilateral ODA (constant 2006 US dollars).[2] Overall contributions received by the UN development system in 2006, however, decreased, in real-terms, by 1.1 per cent, though this was followed by 2.4 per cent increase in 2007.[3] Some operational agencies continued to experience growth in contributions throughout the whole 1995 to 2007 period.

4. In the 2002 to 2007 period, the annual growth in contributions to UN operational activities for development, notably, slowed to 5.6 per cent, while non-UN multilateral ODA grew at faster rate or 6.6 per cent and bilateral ODA at 6.1 per cent (constant 2006 US dollars).

5. A 2008 OECD/DAC survey on aid allocation policies and indicative forward spending plans has highlighted that delivery on funding commitments made at the G8 Gleneagles Summit in 2005 is not on track.[4] Overall ODA, excluding debt relief, for example, increased in 2007 by only 2 per cent over 2006.

6. There are also first indications that the global financial and economic crisis that started in 2008 and which has led to both severe fiscal constraints in donor capitals and fuelled significant exchange rate fluctuations, is beginning to affect the funding allocated to international development cooperation, including the UN development system. Moreover, with ODA-level in many countries linked to Gross National Income (GNI), the present economic and financial crisis may put downward pressure on aid flows in the near-term.

7. While recognizing that the international context has changed in profound ways since the 2002 Monterrey Conference on Financing for Development, the Doha Review Conference on Financing for Development in November/December 2008, urged those developed countries that have not yet done so to make additional concrete efforts towards

---

[2] UN operational activities for development grew from $6.2 billion to $17.4 billion; non-UN multilateral ODA from $14.7 billion to $19.6 billion; and bilateral ODA from $41 billion to $85.3 billion.

[3] There is no common international definition of ODA, with OECD/DAC and UN system applying different terminology. For example, some operational activities undertaken by the UN development system are not classified as ODA by OECD/DAC. This may lead to either under-reporting, or double counting, of contributions to UN operational activities for development. This lack of common definition may also negatively impact resources mobilization for some of the work of the UN system at country-level.

[4] Aid targets slipping out of reach, OECD/DAC (2009).

ODA target of 0.7 per cent of GNI, including the specific target of 0.15 to 0.2 per cent of GNI for ODA to least-developed countries (LDCs). The Heads of State and Government at the recent G20 Summit in London also reaffirmed their commitments to meeting the Millennium Development Goals (MDGs) and to achieving the respective ODA pledges.

Fragmentation of UN operational activities remains an issue

8. The current funding architecture of UN operational activities for development can be traced back to the founding of the organization, as discussed in a related paper of the Secretary-General on governance. A functional approach, rather than a federalist one, was seen as more responsive to the needs of Member States in different thematic and sectoral areas. The UN system, as a result, is composed of a large number of distinct entities, each with particular governance, funding and administrative arrangements. This diverse group of entities supports a wide range of development activities and services at the national, regional and global levels.

9. In 2007, 37 entities of the UN system received nearly $19.1 billion (current US dollars; $17.6 billion in constant 2006 US dollars) of the estimated contributions for operational activities for development, with 5 organizations (UNDP, UNICEF, WFP, WHO, UNHCR) accounting for 76 per cent of the total. The top 11 organizations in terms of contributions (adding UNFPA, UNRWA, FAO, UNESCO, ILO, and UNEP) accounted for 90 per cent of the total, and the remaining 26 organizations for 10 per cent.

Text Box 1
No common UN definition of funding sources

A wide array of terms is used by UN system entities to classify funding sources for operational activities for development. UNDP, for example, classifies resources as "core" when the purpose of the contribution is general support of the organization with no limitation imposed as to its use. The UNDP terminology of "non-core" is applied when contribution is for specific purpose consistent with the policies, aims and activities of the organization.

WFP has no core resources and classifies contributions according to level of earmarking. Contributions provided without restriction, or directed to specific programme category, without further earmarking, are termed as "multilateral". The term "directed multilateral" is used when the donor requests funds to be directed to specific activity or activities, or specific operation or operations. Several other definitions of "core" and "non-core" are used by different UN entities.

UNHCR, for example, uses the term "unrestricted", "sector earmarked", "thematic earmarked" and "regional earmarked" contribution. All specialized agencies use "assessed contribution" to identify funding from voted appropriations, or regular budget when including other income closely managed with assessed contributions and credited to the same general fund, and "supplementary funding" or extra-budgetary resources to define voluntary contributions. Under the latter category, funds are mostly earmarked, but can also be less so, or even non-earmarked.

For reporting purposes, the above terms are normally grouped under "core" and "non-core" resources, with the former referring to non-earmarked funding that is used at the sole discretion of the respective UN entity and its governing body, and the latter meaning earmarked funding, directed by donors towards specific locations, themes, activities and operations.

Share of core resources of overall contributions rapidly declining

10. Core resources are the bedrock of the UN system for development, as these resources allow it to pursue its mission according to the key principles of universality and neutrality. The effectiveness to which the system is able to utilize its core resources to address major development

challenges is dependent upon the 'predictability' of these resources: in other words the duration for which they are committed by donors. The term 'core' is used in this paper for contributions classified by funds, programmes and specialized agencies as 'core', 'regular', 'assessed' and 'non-earmarked'.

11. A notable long-term trend in the funding of UN operational activities for development has been the continuous decline in the share of core resources of overall contributions, from 37.1 per cent in 2002 to 28.8 per cent in 2007. In this period, core resources for UN operational activities for development grew on average, in nominal-terms, by 7.6 per cent annually and 0.4 per cent in real-terms compared to 15.9 per cent and 8.2 per cent respectively for other resources (see Table 1).

12. Data on long-term trends in the share of core resources of overall contributions to the UN development system is only available for small number of organizations. This data reveals that the share of core resources of overall funding of UNDP, UNFPA and UNICEF collectively dropped from 79.7 per cent in 1991 to 31.8 per cent in 2007, although for UNFPA, this ratio is much higher or above 60 per cent.[5]

Table 1

Core and other contributions for operational activities to United Nations system, 2002-2007

	2002	*2003*	*2004*	*2005*	*2006*	*2007*	*% change 2006 to 2007*	*Annual average % change 2002 to 2007*
(current US$ million)								
Core resources	3.820	4.030	4.547	4.538	4.938	5.501	11.4	7.6
Non-core resources	6.489	8.735	10.172	12.449	12.241	13.576	10.9	15.9
Total Contributions	**10.309**	**12.765**	**14.719**	**16.987**	**17.179**	**19.078**	**11.1**	**13.1**
Annual increase	..	23.8	15.3	15.4	1.1	11.1		
(constant 2005 US$ million)								
Core resources	4.966	4.604	4.766	4.640	4.938	5.074	2.8	0.4
Non-core resources	8.437	9.980	10.661	12.729	12.241	12.522	2.3	8.2
Total Contributions	**13.403**	**14.584**	**15.427**	**17.369**	**17.179**	**17.596**	**2.4**	**5.6**
Annual increase		8.8	5.8	12.6	-1.1	2.4		
Percentage core	37.1	31.6	30.9	26.7	28.7	28.8		

13. A number of donors have made efforts to formulate multi-annual core resources commitments to a variety of different UN organizations, and are also supporting reform of the funding modalities to ensure better balance between core and non-core resources flows.[6] A

[5] Annual growth in core contributions to UNDP in the 1992 to 2007 period in constant 2006 US dollars was -1.6 per cent, while for non-core funding it was 10.1 per cent. For UNFPA and UNICEF, the corresponding figures were 2.0 per cent and 26.6 per cent; and 0.9 per cent and 12.8 per cent respectively. If the analysis is limited to the 2002 to 2007 period, the percentages would change as follows: UNDP, 3.4 per cent and 8.1 per cent; UNFPA, 3.9 per cent and 12.2 per cent; and UNICEF, 2.1 per cent and 13.8 per cent.

[6] For example, the Government of Belgium, as of 1 January 2009, will exclusively fund core resources of multilateral organizations, with earmarking of contributions at the country-level also reduced to minimum. Earmarked contributions to specialized agencies will also increasingly be transferred to core voluntary accounts. The 2008 budget in Belgium has been adopted with funding committed on a

significant number of donors, however, continue to make annual commitments, a factor, which makes effective medium-term planning more challenging.

14. Only a small number of donors have also started contributing to the relatively new and innovative core voluntary accounts established by ILO, WHO and FAO and other UN agencies. This is highlighted in an upcoming first-ever OECD/DAC report on multilateral aid, which also points out that donor policies regarding funding of UN operational activities for development are often ad-hoc, uncoordinated and not implemented consistently across all agencies of the UN development system.

15. When donors commit core resources for multiple years, they contribute to the predictability and sustainability of the recipient agency funding base which improves management of cash flow, programme planning and implementation. However, there are challenges/conditions that prevent donors from making non-earmarked multi-year pledges such as lack of established governance mechanisms for multi-year core contributions; parliamentary constraints on allocations covering more than one year; and unsynchronized fiscal cycles.

Text Box 2

Funding modalities for core/regular resources

Four distinct funding modalities have emerged in the UN system to enhance predictability of core resources flows and policy coherence. These funding modalities are described in greater detail in an Annex to this paper.

Voluntary core contributions: Contributions to core resources of UN funds and programmes are entirely voluntary. A multi-year funding framework (MYFF), in some instances, referred to as 'strategic plan', 'action plan' and 'immediate plan of action', is used by funds, programmes and some specialized agencies, to promote increased 'voluntary core contributions' on a predictable, continuous and assured basis. MYFFs are helpful in articulating organizational goals, focus areas, performance indicators, outcome expectations and resources requirements.

Assessed contributions: The GA decides on the 'scale of assessments' for contributions to the regular budget (the scale generally covers three years). The scale of assessments is essentially determined on the basis of country's capacity to pay (measured by factors such as national income and size of population). The scale of assessment is used by all agencies that present programme of work based on budgetary appropriation voted by the respective governing body.

Negotiated voluntary core contributions: A 'voluntary indicative scale of contributions' (VISC) is developed taking into account, among other things, the UN 'scale of assessments' with the objective of broadening the base of donors and enhancing the predictability of voluntary funding flows.

Negotiated replenishment system: The level of contributions is first determined based on assessment of needs. In the second stage, donors negotiate burden-sharing. The replenishment system includes full assessment of the policies and programmes including the performance-based allocation system, results and impact of operations.

Non-core resources flows highly fragmented

16. The reliance on non-core resources, with corresponding unpredictability of funding and timing of payments and the restricted use for which voluntary contributions may be earmarked, has made the management and programme implementation of UN operational activities for

multi-year basis up to 2011. An important corollary of the new policy is that multilateral organizations have to demonstrate growing efficiency and quality, as well as commitment to reform and coordinated effort.

development, more challenging.[7] The term 'non-core' is used in this paper for contributions classified by funds, programmes and specialized agencies as 'non-core', 'extra-budgetary', 'supplementary' and 'earmarked'.

17. The growth in non-core funding in the past decade is also an important factor in increasing transaction cost for UN entities. Negotiating individual funding agreements, tracking and reporting programming and financial data for hundreds or even thousands of individual projects, and reporting according to widely varying sets of requirements, for example, all add significant costs that fall outside of the organization's basic operating systems. As a result, agencies must juggle both large and small supplementary contributions in time frames inconsistent with their basic managerial processes. In some instances, supplementary funding is also still provided with conditions on monitoring and reporting that fall outside of the normal systems of the respective agencies. Such conditions are an important factor in increasing transaction cost.[8]

18. There are also concerns that declining core or regular budget resources may distort the work priorities of UN agencies mandated by the respective governing body. Constrained by the stagnation of core funding, UN agencies have been under pressure to reorient activities towards those attracting supplementary funding.

19. While most UN organizations try to ensure that supplementary funding is aligned with strategic priorities, all such financing to some extent distorts the substantive direction set by the respective governing body. This poses a particular challenge for standard-setting specialized agencies, which collectively have seen the share of core funding decline from 36.8 per cent of overall contributions in 2003 to 29.0 per cent in 2007.[9] In addition, activities funded by extra-budgetary financing are often not subject to full cost recovery, which, de facto, means that they are being subsidized by core resources.

Specialized agencies: increasingly reliant on extra-budgetary resources

20. Within the UN system, the specialized agencies occupy an important position as focal points for intergovernmental deliberations and negotiations on common international issues in their respective areas. They were established to collect and disseminate information linked to the setting of international standards and rules as well as safety regulations and to provide technical assistance to member nations. The standard-setting function was always supported by research, policy advice and technical advisory services at the request of Member States. Increasingly, the specialized agencies became known as "centre of excellence" in their respective field, initiating and organizing international research efforts and campaigns and catalyzing knowledge transfer to developing countries, as well as executing development cooperation programmes and projects to further promote the ratification and implementation of standards. As such, the specialized agencies

[7] A related note of the Secretary-General on governance of UN operational activities for development also points out that the fragmented nature of the funding architecture is undermining the ability of the UN system to pursue coordinated implementation of national, regional and global development goals, including the achievement of development results.
[8] Discussion paper on funding of UN technical cooperation activities, Lindores (2007).
[9] The ratio of regular/extra-budgetary resources among specialized agencies varies greatly. For ILO, for example, this ratio is much higher than the above figure or above 60 per cent.

deliver public goods that are an important source of information and advice to developing countries. This has often been referred to as the normative function.

21. Over time, the erosion of budgets of specialized agencies financed by assessed contributions, has weakened their normative, international treaty negotiation and information roles, and as a consequence, their capacity to meet demand from Member States for technical assistance. The reasons for this development may vary from one organization to another, but a major factor has been the decline, in real-terms, in budgets funded from assessed contributions, which has intensified the mobilization of extra-budgetary resources.

22. Regular/assessed contributions to specialized agencies as a group declined, in real-terms, annually by 3.5 per cent in the period 2002 to 2007, or a cumulative total of just over 16 per cent. This constitutes significant decline, in real-terms, in regular/assessed resources in a relatively short period of time, which has undoubtedly weakened the ability of some specialized agencies to maintain core capacities for research, information-sharing and policy analysis.

23. Total contributions to specialized agencies in current US dollars during the same period grew from just over $2.0 billion to $4.3 billion with an annual growth of 15.6 per cent. Considering that the increase in contributions during this period was predominantly of extra-budgetary nature, most of the specialized agencies have begun a process of revamping strategic planning frameworks in order to ensure adequate intergovernmental oversight of non-core resources. This issue will be further discussed in an Annex to this note.

Text Box 3

Funding modalities for non-core/extra-budgetary resources

(1) Individual contribution can be tracked separately or pooled with those received from other donors for the same purpose. Transaction cost is high as separate ledger account needs to be established to monitor and report on each contribution. In comparison, pooled funds decrease transaction cost by simplifying the management, monitoring and reporting, with one single narrative and financial report provided to donors.

(2) Donor contribution can be earmarked to project or programme. Earmarked contribution is often provided on the basis of project document. In this case, the implementing organization cannot deviate from the prescribed activities without prior approval of the donor. In addition, contributions can be earmarked to programme (or thematic area). This option presents several advantages:

- Improves flexibility in the use of funds and lessens the risk of UN activities being donor-driven;
- Provides opportunity for more meaningful M&E of the programme;
- Decreases transaction cost;
- Helps achieve results outlined in the strategic plan of the organization.

(3) Funds can be contributed directly to the implementing UN organization or through multi-donor/multi-agency fund. Channeling non-core contributions to multi-donor/multi-agency fund increases coherence of aid, and may also decrease transaction cost for the donor by reducing the number of agreements signed. However, by adding new administrative layer, this modality may shift such transaction cost from the donor to the UN organization and the national government(s). The UN development system has developed guidelines for the establishment of multi-donor trust funds (MDTF), which simplify the procedures and significantly decrease such transaction cost. Transaction cost associated with the management of other global funds may remain high, with each fund often operating according to different rules, procedures and regulations, which can make audit and oversight difficult.

Despite volatile resources flows, targeting of support to LDCs has increased

24. Despite growing volatility in resources flows, and declining UN share of overall multilateral ODA in recent years, the targeting of funds has increased. Total expenditures of the UN system on operational activities for development in LDCs have more than doubled since 2002, reaching $5.9 billion in 2007. This share, as percentage of total country expenditures, has also increased from 40.3 per cent in 2002 to 49.0 per cent in 2005, followed by slight reduction to 46.2 per cent in 2007. Eight out of top ten programme countries, in terms of expenditures of UN operational activities for development, are all LDCs. Africa has consistently received the largest share of expenditures, reaching 46.4 per cent in 2006 and 43.7 per cent in 2007.

Results-based multi-year funding frameworks and strategic plans have enhanced predictability of resources flows

25. The introduction of multi-year funding frameworks (MYFFs) and strategic plans and other innovative approaches has been an important response to address the declining, and often volatile, trend in core resources flows to UN funds and programmes. Several specialized agencies have also followed suit by introducing new strategic planning and management instruments in order to enhance the predictability of resources flows, including multi-year funding focus areas. These instruments help establish better linkages between the organizational vision, activities, financial resources and results indicators of the respective organization. They have also played an important role in focusing the activities of UN system agencies on high-priority areas, as well as measurement of results.

26. By and large, the introduction of such strategic planning frameworks has advanced the predictability of funding, although their impact varies from one entity to another. The increase in core funding to many funds and programmes during the 2002 to 2007 period may also suggest that these frameworks are having a positive impact in this respect, but more rapid growth in supplementary resources flows, has meant that the core/non-core ratio of UN operational activities for development has continued to worsen. The experience of funds and programmes, and some specialized agencies, with the MYFFs will be further discussed in an Annex to this note.

27. The preparation of results-based strategic plans is becoming the norm in UN organizations, with annual reports increasingly analytical. The strategic plans describe the expected contribution of the respective organization to national and global development goals, with well-defined key result areas, performance targets and indicators. Continuous efforts are being made by UN entities to improve the conceptual clarity of the results matrix with a view of strengthening performance management and reporting. The support budgets of UNDP, UNFPA, UNICEF and WFP are guided by common format, which is being further refined for the 2010-2011 biennium across the four agencies.

28. In the case of UNICEF, an analysis of sample of country programme documents submitted to the Executive Board in 2008 found that the average scores for integration of results-based management principles in such programming documents and the

accompanying results matrices has increased to 75 per cent (from 66 per cent in 2007). The study found that in 8 out of 11 submissions (72 per cent), the scores were above 80 per cent.

Major growth in interagency pooled funds

29. By March 2009, approximately $4.0 billion in contributions from 40 donors and programme countries had been channeled to the UN development system through interagency pooled funds, administered by the Multi-donor Trust Fund Office in UNDP.[10] Several other UN agencies also administer pooled funds. The MDTFs are being used to address various humanitarian, recovery, reconstruction and development challenges that have emerged at the country-level as the result of 'horizontal' programming, including the UNDAFs.

30. The administration of interagency pooled funds, or MDTFs, is regulated by UNDG legal agreements and operating procedures. The MDTF Office in UNDP is the administrative agent for 22 MDTFs on behalf of the UN system, supporting programmes in 74 countries and covering a range of thematic areas, including humanitarian emergencies, post-crisis recovery and reconstruction and medium to long-term development. The administrative agent for each pooled fund is responsible for reporting on the use of resources to the contributing donors.

Thematic funds have improved flexibility and predictability of resources flows and reduced transaction cost

31. In addition to the interagency pooled funds, almost all UN organizations have created some types of thematic funds as part of broader strategy to address the long-term declining trend in core resources. These thematic funds allow donors to contribute resources to specific service lines, regions, programme countries and programme categories.

32. The use of thematic funds has improved flexibility and predictability of funding. Instead of having multiple contributions to manage, there is only one fund per thematic area and one consolidated annual report instead of separate statement for each donor. This lowers transaction cost for the UN entity in terms of staff time spent on management of contributions. The flexibility inherent in the thematic funds allows for scaling-up programmes with clear measurable objectives; prioritizing under-funded programmes; undertaking capacity-building for implementation of poverty reduction strategies; adoption of sector-wide approaches; more effective support to the implementation of national development plans; and enhanced performance management.

33. For UNICEF, thematic funding as share of overall contributions grew from 8 per cent in 2004 to 12 per cent in 2005. Thematic contributions are based on existing programmes such as the country programmes approved by the Executive Board or the thematic priority areas defined in the Medium-term Strategic Plan (MTSP). The pooled funds, whether at the global, regional or country-level, are allocated to achieve the goals in the respective priority area. The donors do not request any specific financial statements tracking their contribution, but rather a holistic report on results achieved in the thematic area they are supporting and expenditures from all sources (regular

[10] The MDTFs are sometimes referred to as 'donor pooled funds'. Such donor pooled funds have a well-defined mandate. Thematic funds, on the other hand, are linked to strategic plans of agencies adopted by the respective governing body.

resources, other resources and thematic funds), at the global, regional or country-level. One consolidated report for each area is thus required.

34. For thematic funds, there is a more flexible time span for using contributions which also helps to reduce transaction cost by allowing the organization and the donors involved to avoid spending time and resources on justification of agreement extension, request for extension and amendment of agreements following the approval of an extension request. Further, the extended duration of the contribution allows the UN organization to reduce transaction costs by not having to continually identify, recruit and then separate staff. By using thematic funds, UN organizations are better placed to attract and retain high-quality staff by providing a measure of job security.

35. This suggests that thematic contributions may be considered the most attractive form of funding after regular resources and/or voluntary core funding, because such support is aligned with the strategic goals and priorities of the respective UN entity, while allowing for longer-term planning and sustainability. In the case of UNICEF, the decision to accept thematic funding required streamlining of its financial system, which was originally developed to follow each dollar received from every donor. Reporting on the use of thematic contributions is different and less burdensome, thus allowing more concentration on programming and achieving results.

Private funding remains a small, but growing part, of overall contributions

36. Funding from private sources has also brought in fresh resources to a number of UN entities. UNICEF has been particularly adept at leveraging the strength of private contributions. Income from private sources to UNICEF totaled $878 million in 2007, reflecting an increase of 9 per cent over 2006.[11] Other funds and programmes have also benefited from private funding or enhanced cooperation with the private sector. For example, there is growing interest among UN entities in expanding partnerships with the private sector. Several initiatives involving cooperation between UN agencies and the private sector have been launched recently (e.g. UN Private Sector Forum, the new "Framework for Business Engagement with the UN", revision of the UN Business Sector Cooperation Guidelines). WFP, for example, has recently launched two new multi-year, multi-million dollar global partnerships to solicit contributions from corporate partners, based on a public-private partnership strategy.

37. However, securing funding from the private sector often comes with high transaction cost. The private sector usually has strong preference for earmarking funds to projects in specific countries. This unfortunately limits the flexibility in the use of funds and can result in donor-driven projects. For the specialized agencies, too strong focus on resources mobilization from the private sector may also be fraught with potential conflict of interest, due to their global norm and standard-setting role.

[11] UNICEF (E/ICEF/2008/10).

Table 2

Private funding for UNDP, UNFPA and UNICEF 2005-2007 (millions of current US$)[12]

	2005			2006			2007		
	Overall funding	Private funding	Private/Overall	Overall funding	Private funding	Private/Overall	Overall funding	Private funding	Private/Overall
UNDP	4.800	23	0.5%	4.790	91	1.90%	5.190	150	2.89%
UNFPA	544.6	11.2[13]	2.06%	570.5	16.3	2.86%	705.2	21.4	3.03%
UNICEF	2.762	1.235	44.71%	2.781	799	28.73%	3.013	878	29.14%
WFP	2.700	27	1.0%	2.700	55	2.0%	2.700	49.1	1.8%

Source: UNDP/UNFPA Annual Financial Reviews and UNICEF Annual Reports.

38. Except for UNICEF, private contributions are not yet a significant source of income for funds and programmes such as UNDP, UNFPA and WFP, although experiencing some growth (see Table 2).[14] For UNFPA, for example, private contributions in 2007 remain just over 3 per cent of total income. In the case of UNDP, private funding has increased considerably, but is still an insignificant share of overall contributions. Generally, there is no evidence to suggest that income from private sources received by funds and programmes are distorting the implementation of activities mandated by governing bodies.

Burden-sharing of core resources: too few hands carrying the load

39. The volume of core funding for UN operational activities is closely linked to the sharing of the burden by donors. The difference between donors in this regard is quite significant. The 1970s and 1980s saw a trend emerging towards increasingly uneven burden-sharing of core funding for UN operational activities for development.[15] This trend has largely continued during the 1990s and the beginning of the new century. From 1995 to 2007, the top ten donors to UNICEF contributed on average 81 per cent of core contributions; for UNDP the percentage was close to 85 per cent; and for UNPFA it exceeded 93 per cent. The issue of concentration of donor-related funding also applies to specialized agencies. In FAO, for example, the top ten donors (excluding global funds such as CERF, but including multilateral contributions) accounted for 53 per cent of total voluntary resources received in 2006-2007, with the top twenty contributing 79 per cent.[16]

40. Of total contributions for UN operational activities for development in the years 2004 to 2006, eight donor countries accounted for approximately 65 per cent. Another indicator of weakened burden-sharing may be the rapidly declining role of the annual UN Pledging Conference, resulting in contributions amounting to $80 million in 2007 and $65 million in 2008.

[12] Includes contributions from private sector, foundations and civil society organizations.

[13] The 2005 figure for UNFPA includes "other income" of $8.3 million for the regular budget and $2.9 million of co-financing contributions from the private sector. UNFPA did not record private contributions to the regular budget for 2005. The "other income" of $8.3 million is therefore used here to illustrate the rough scale of private funding to the regular budget. The actual amount is likely to be lower than presented in the above table. Private funding for 2006 and 2007 includes private endowment trusts to the regular budget and co-financing contributions from the private sector.

[14] The same applies to specialized agencies.

[15] Report of the Nordic Project, 1991.

[16] FAO Programme Implementation Report, 2006-2007 (paragraph 34 and table 4).

41. As mentioned earlier, the funds and programmes rely entirely on voluntary contributions to cover the cost of operational activities for development. One important implication of this reliance on voluntary contributions is that major donors tend to serve for longer periods of time on the Executive Boards of the funds and programmes than other Member States.

42. A stronger and more effective role of the UN in the economic and social fields needs to be built to greater extent than is presently the case on more equitable and diversified sharing of the burden of funding. Reliance on small number of countries for high share of core contributions also makes UN entities vulnerable to fluctuations in overall resources flows, e.g. if one, or more, major donors suddenly decide to reduce funding. This risk is best addressed by broadening the donor base of UN development cooperation. Approaches adopted by several UN entities to diversify the donor base and increase funding volumes are further discussed in an Annex to this note.

Global funds: posing a challenge to funding of UN development cooperation

43. Global programmes - often referred to as "global funds" or "vertical funds" - are defined as "partnerships and related initiatives whose benefits are intended to cut across more than one region of the world and in which the partners reach explicit agreement on objectives, agree to establish a new (formal or informal) organization, generate new products or services, and contribute dedicated resources to the programme." [17] In other words, global funds focus "vertically" on specific issues or themes, in contrast with the "horizontal" approach of the country-based model of development programming. Contributions to global programmes accounted for 3 per cent of total ODA in 2005. The main sectors covered by global programmes are health (e.g. the Global Fund for Aids, Tuberculosis, and Malaria, GFATM) and environment (e.g. the GEF).

44. The vertical funds are seen by many donor governments as focused and efficient in responding to major global development challenges. The UN was a key actor in the establishment of many of the existing global funds. However, there is perception that the global funds must remain focused initiatives and not grow to replace or undermine the broader and more complex programming requirements of the UN development system. Resources contributed to the global funds in many instances tap into the same government budget lines as related initiatives of the UN development system. Most of the global funds are also seen as depending heavily on traditional sources of ODA and not generating additional contributions from non-traditional partners. In addition, it is felt that although the global funds may reduce transaction cost to donors, their operations often lead to significant increase in administrative burden on both programme country governments, due to weak alignment with national systems, and UN system entities.

45. The global funds have adopted a wide range of governance and management arrangements. For example, they may be independent legal entities with autonomous governing bodies and own management structures such as GFATM and UNAIDS. Other global funds may operate instead as informal associations of partners without legal status. Such funds may be governed by representatives from donor institutions, partner countries, private foundations and members of civil society (e.g. GAVI and Stop TB). The global funds therefore vary greatly in the

[17] *Aid Architecture: an overview of the main trends in ODA flows*, May 2008, World Bank.

manner governing bodies are constituted and empowered to act. In addition, in many instances, the hosting agencies play the role of implementing partners applying their own management policies and procedures, which may further complicate accountability arrangements.

(b) Renewed focus on organizational performance

Some UN agencies seen as pace-setters among multilaterals

46. The past decade has seen renewed efforts by agencies at headquarters and country-level to enhance organizational effectiveness. Some donors have also made improvements in organizational effectiveness explicit criteria in the allocation of resources to UN funds, programmes and specialized agencies. External evaluations of UN performance have also revealed a number of weaknesses of UN organizations, notably in the areas of transparency, coherence and cost-efficiency.

47. Many UN entities have responded by undertaking extensive organizational reform since the late 1990s and early part of the new century. As a result, some UN agencies are now seen as pace-setters in terms of institutional reform amongst the multilaterals. Donor-sponsored surveys of organizational effectiveness of multilateral and international agencies confirm the positive impact of these initiatives on the efficacy of the UN development system. Annual assessments by the Multilateral Organizations Performance Assessment Network (MOPAN), based on perceptions of embassy staff in selected countries, have reached similar conclusion.[18] However, it is important to note that these studies have not been conducted through an inclusive process involving both programme country governments and donors. Their findings and recommendations therefore only reflect the views of the respective donor countries.[19]

48. A brief review of the scores of individual UN agencies in the donor-sponsored surveys of organizational effectiveness of multilateral and international organizations, mentioned above, and annual growth rates in contributions does not yield conclusive evidence as to whether enhanced efficiency as measured by these studies has been associated with more stable and predictable resources flows. In addition to agency-specific initiatives to enhance organizational effectiveness, there have been efforts at the system-level to harmonize programme support costs and business practices.[20]

---

[18] The following countries are members of MOPAN: Austria, Canada, Denmark, Finland, France, Netherlands, Norway, Sweden, Switzerland and United Kingdom.

[19] An upcoming OECD/DAC report on multilateral aid criticizes MOPAN and other similar donor-led surveys. This report argues that "a strong case can be made that bilateral donors should change the way they advocate for multilateral reform. Instead of using non-transparent approaches for assessing multilateral effectiveness from the outside, they should make even more united use of their positions within the executive boards to advocate for change from within the multilaterals to improve their reporting on effectiveness".

[20] A related paper of the Secretary-General on governance of UN operational activities for development recommends the strengthening of system-wide performance review and evaluation with a view of enhancing accountability of the UN system to Member States.

Text Box 5
Harmonization of programme support costs

A diverse range of programme support cost modalities and other cost recovery mechanisms exist within the UN system. Although 13 per cent has been widely used as standard cost-recovery rate, UN agencies tend to apply different rates according to the source of funding. ILO, for example, applies 13 per cent for multi-bilateral funding, 12 per cent for associate professional officers and 10 per cent for UNDP contributions. This type of practice is also seen in many other agencies. A number of UN system organizations, including UNOPS, also used to assess and recover extra-budgetary support costs on a case-by-case basis.

The HLCM/CEB established in 2003 a Working Group (WG), chaired by UNESCO, to promote the development of common guidelines for the application of programme support costs within the UN system. The WG reached consensus on common definitions of cost categories and principles for cost recovery. The three cost categories: direct costs, fixed indirect costs and variable indirect costs, have gradually been adopted by UN agencies.

Based on the outcome of the HLCM/CEB-sponsored dialogue, funds and programmes agreed to adopt a harmonized cost recovery rate of 7 per cent for indirect programme support costs for non-core resources (i.e. extra-budgetary funding or other resources) for the management of the "Delivering-as-One" (DaO) pilot initiative. Following joint UNDG/CEB and Finance and Budgetary Network (FBN) of HLCM/CEB consultation, convened in April 2008 to explore the extent to which further harmonization of cost recovery policies was feasible, both parties endorsed the use of 7 per cent as harmonized indirect programme support cost rate for MDTFs and multi-agency country-level joint programmes and activities.

Text Box 6
Harmonization of business practices

The CEB, at its 2007 fall session, endorsed the Plan of Action for the Harmonization of Business Practices in the UN System, developed by HLCM/CEB and its networks. This plan covers all major management functions that rest within the purview of Executive Heads, including, inter alia, finance and budgeting, human resources, information and communications technologies (ICTs) as well as procurement. The plan is broken down into three groups of initiatives: (a) projects ready for implementation, (b) analyses and reviews leading to the implementation of one of the alternative options that will be identified, and (c) feasibility studies whose outcome would determine whether to proceed to an implementation phase or to opt for alternative solutions. A funding proposal for the plan was circulated in October 2008. Implementation has already begun in priority areas on the basis of contributions received as well as internal resources earmarked by UN agencies.

The plan builds on the notion that within a system structured around a variety of mandates, increased coherence in working modalities of UN organizations would contribute significantly to their ability to deliver better programmatic results. The plan was developed with a view to identify system-wide solutions to issues that have emerged, in many cases, at the country level. The HLCM/CEB will focus on system-wide administrative and management issues, with UNDG/CEB supporting country-level operations, with particular focus on prioritizing and spearheading solutions to administrative bottlenecks in business practices in the DaO pilot countries. Such solutions could subsequently be replicated system-wide by HLCM/CEB. In the past year, solutions have been identified in the areas of procurement, ICTs and human resources, where different agency staff are working in a common team.

This approach ensures the alignment of country-level operations with the strategic direction and priorities pursued at the policy-level. It places particular focus on needs emerging at the country-level, including through the DaO pilots, being fed into system-wide development of common policies and standards, at headquarter-level.

(c) Aid effectiveness moves centre stage

The changing aid environment

49. The comprehensive policy review of the GA in 2001, 2004 and 2007 has called for strengthening of the UN development system at the country-level as well as greater coherence and effectiveness. For example, GA resolution 62/277 *"recognizes that strengthening the role and capacity of the United Nations development system to assist countries in achieving their development goals requires continuing improvement in its effectiveness, efficiency, coherence and impact, along with a significant increase in resources and an expansion of its resources base on a continuous, more predictable and assured basis."*[21] Recent experiences at the country-level have shown that strengthened joint programming through the UNDAF process is a precursor for increased harmonization and coherence in the funding of UN operational activities for development.

50. These developments are taking place against the backdrop of a global aid environment that is changing in several important ways. For example, there has been a major proliferation of development cooperation actors in recent years, with corresponding fragmentation of funding sources. As of 2005, for example, there were more than 65,000 donor activities worldwide, up from 20,000 in 1997, with some countries hosting more than 1,000 donor activities.[22] The proliferation of development cooperation actors has also been accompanied by reduction in the average size of contribution of each donor (from $2.5 million to $1.5 million). In addition, this proliferation of development cooperation activities, in many instances, has undermined the capacity of developing countries by diverting government staff to work as project counterparts or donor staff, spending funds on technical assistance to manage projects, or on parallel project implementation units, thus increasing the cost of coordination with donors at both the global and country levels.

51. Recent years have also seen renewed calls by programme country governments for donors to intensify harmonization of operational systems, procedures and reporting. Here, the 2002 Monterrey Conference on Financing for Development played a particularly important role by turning the attention of the international community to the issues of aid quality and aid effectiveness.

52. The Development Cooperation Forum (DCF) of ECOSOC, the 3rd High-level Forum on Aid Effectiveness in Accra and the Doha Review Conference on Financing for Development, all held in 2008, have also added strong voices to the call for greater commitment of donors and other contributors to the principle of aid quality and aid effectiveness. The Doha Review Conference, for example, pointed out the need for more systematic and universal ways to follow quantity, quality and effectiveness of aid flows, giving due regard for existing schemes and mechanisms. The Conference invited the Secretary-General, with relevant UN system agencies, in close cooperation with the World Bank, the regional and sub-regional development banks, OECD/DAC and other relevant stakeholders, to address this issue and provide a report for consideration of the Development Cooperation Forum.

---

[21] A/RES/62/208 (page 4, paragraph 11).
[22] E/2008/69.

53. This international consensus on the need for improved quality and effectiveness of aid is already influencing the work of the UN system for development at the country-level as reflected in the shift towards greater coherence and harmonization of programming and funding. The emergence of new development cooperation actors such as global thematic funds, the private sector and civil society organizations in the delivery of aid have added further complexity to the role of the UN in this changing environment. Moreover, the growing use of sector-wide action plans and general budget support as new modalities for delivering development assistance has raised questions about the way in which the UN system is to interact with these instruments in the future. While the programmatic implications of these delivery mechanisms for UN system support are progressively emerging, their impact on funding country-level activities remains unclear.

(d) Towards country-level coherence

From UNDAF to common programme, budgetary framework and fund at country-level

54. As discussed in a related note of the Secretary-General on governance of UN operational activities for development, there has been continued focus within the UN system since 2002 on improving field-level coordination of operational activities for development through institutionalization of the UNDAF process; further strengthening of interagency cooperation through UNDG/CEB, whose membership was expanded to include virtually all UN organizations with a development mandate, and of the Resident Coordinator System; greater emphasis on measuring field-level results; and acceleration of the establishment of common UN houses in programme countries.

55. Most recently, an approach based on delivering-as-one (DaO) through common programme, budgetary framework and fund, has been adopted in eight pilot countries. The common budgetary framework presents a holistic financial picture of available, as well as required resources, in support of the common country programme, comprising three sources of funds: core resources, vertical funds (thematic trust funds, national committees) and funds that need to be mobilized. The core resources of each agency and vertical funds remain within the control of the respective organization, but the use of the funds is fully aligned with the common country programme.

56. A common fund has been established in the eight DaO pilots to support the coordinated resources mobilization, allocation and disbursement of donor contributions for the unfunded elements of the common country programme. [23] Donors pool resources together under the common fund to cover the funding gap in implementing the consolidated UN programme. The common fund is managed by the Resident Coordinator on behalf of the UNCT. As of 31 October 2008, $131.8 million has been committed to such common funds by 12 donors.[24]

[23] The common fund is sometimes referred to as "One UN Fund" or "UN Coherence Fund".

[24] Austria, Canada, Finland, France, Ireland, Luxembourg, New Zealand, the Netherlands, Norway, Spain, Switzerland, the United Kingdom.

57. A stocktaking exercise conducted by UNDG in late 2007 has identified evidence of progress in implementing the DaO pilot initiative in the eight countries.[25] For example, institutional mechanisms have been established to facilitate implementation by the UNCTs, including *common operational document*, with clear reporting lines and accountability framework, based on agreed division of labour. Local resources mobilization efforts are also increasingly joint-in-nature and supported through the Resident Coordinator and UNCT. Moreover, resources mobilization in partnership with the UN system is increasingly high on the agenda of governments in programme countries. Furthermore, through the common country programme, national partners have attained comprehensive overview of UN activities and financial resources as well as information on funding gaps. This has resulted in the UN system more fully aligning its programming with national priorities, national reform processes (including the Paris Declaration), and national development plans, including the MDGs, with greater government leadership.

58. The UNDG stocktaking exercise has also identified several challenges in implementing the DaO pilot initiative, including (a) slow pace of change at headquarters, including approval processes, reporting requirements, human resources and information technology, (b) insufficient guidance and sometimes slow support from headquarters and regional offices, (c) striking balance between inclusiveness and strategic focus and alignment, and (d) high expectations on funding availability from both governments and UNCTs, which, in some instances, has led to unrealistic programming. So far, the funding gap in the eight DaO pilot countries has only been closed in Tanzania.[26]

59. The experience of Rwanda in formulating the common country programme in conjunction with UNDAF roll-out has proven to be effective in fostering coherence rather than starting this exercise in the middle of a five-year programming cycle. Another important lesson from the DaO pilot phase is the need for more effective harmonization of systems and procedures at headquarters-level to facilitate the implementation process at the country-level.

Funding country-level coherence initiatives

60. A recent global initiative to encourage the harnessing of the collective strength of the UN system to address multi-dimensional development challenges through collaborative activities at the country level is the MDG Achievement Fund (MDG-F).[27] An amount of €528 million was initially committed to the MDG-F to be programmed between 2007 and 2010.[28] The MDG-F is organized around specific funding windows, namely the Global Account, DaO Account and Country Account, with the Global Account contributing to core resources of select UN agencies, while the other two will focus on the DaO pilots and joint programmes in 8 thematic windows respectively. Eighty per cent of the MDG-F, or about $714 million, is expected to be used for joint programmes in 8 thematic areas. To date, 68 joint programmes, with a portfolio of $400 million, have been approved from the MDG-F.

---

[25] Another stocktaking exercise was conducted by UNDG in early 2009.
[26] UNEG evaluability assessment of the programme country pilots, DaO, draft synthesis report, 2008.
[27] MDG-F was established by the Government of Spain and UNDP in December 2006.
[28] During the GA High-level Event on MDGs in September 2008, the Government of Spain pledged additional €90 million to support selected widows.

61. Since 24 September 2008, the DaO window in the MDG-F has been enlarged into a new multi-donor facility to finance collaborative and joint UN activities and programmes.[29] The purpose and objective of the new funding window is to increase the contribution of the UN system to poverty reduction and achievement of MDGs by ensuring more effective use of UN resources at the country-level. More specifically, the new funding window is designed to: (a) respond to the need for additional, non-earmarked and more predictable funding in order to support countries that have approved 'One UN' programme at the country-level, (b) provide channel for additional resources to fill funding gaps in approved UN country programmes, (c) allow donors to support the 'One UN' programme in countries where they may not have bilateral presence nor country-level funding mechanism but where poverty, MDG-gap and 'aid orphan' criteria determine the need for additional support, and (d) reduce the transaction cost associated with separate and multiple funding agreements which are necessary for the management of earmarked resources, thereby leading to costs-savings that can be applied to programmatic priorities.

(e) Key policy messages

61. Some of the key policy messages emerging from the above review of recent trends in funding and allocation include the following:

1. Enhanced predictability, stability and flexibility of voluntary funding is key to greater efficiency, effectiveness and coherence of UN operational activities for development;
2. Significant and long-term imbalance between core and non-core resources undermines the principles of universality and neutrality in UN development cooperation;
3. High-degree of fragmentation in supplementary funding increases transaction cost, reduces efficiency and weakens aid effectiveness of UN development cooperation;
4. Full cost of implementing supplementary funded activities is not always recovered by the UN system due to donor pressure to reduce project support cost rate;
5. Continued decline in assessed contributions risks weakening the traditional normative, i.e. standard-setting, research, information and technical assistance roles of some specialized agencies. A more effective arrangement for funding the normative and global public goods functions of the UN system, is needed;
6. Introduction of MYFFs and strategic plans has advanced the predictability of funding in some UN entities, reduced transaction cost, and helped focus activities on high-priority areas, as well as measurement of results;
7. Thematic funds linked to strategic plans of UN entities are effective vehicles to promote policy coherence, reduce transaction cost, improve efficiency, and enhance aid effectiveness of supplementary resources flows;
8. Core voluntary accounts linked to strategic plans of specialized agencies provide an innovative and efficient mechanism to enhance effectiveness of voluntary resources flows;

[29] The new facility is called the "Expanded Multi-donor Delivering-as-One Funding Window". The Governments of Spain, UK, Norway and the Netherlands have contributed funds to the new multi-donor DaO facility.

9. Some UN agencies are seen as pace-setters in terms of institutional reform amongst the multilaterals. Progress in enhancing organizational effectiveness, however, has not automatically led to increases in core funding;

10. Significant efforts are being made to integrate results-based management principles in strategic planning and reporting of UN entities;

11. Transparent and objective criteria and modalities for assessing organizational effectiveness of UN entities could foster enhanced link between performance and funding;

12. Reliance on small number of donors for core funding can make funds and programmes more vulnerable to significant fluctuations in resources flows;

13. Lack of common UN definition of funding sources complicates financial reporting of UN operational activities for development.

C. Possible options for way forward

62. The UN system uses funding mechanisms for operational activities for development that do not provide sufficient volume, predictability, flexibility, stability and burden-sharing of contributions. The fragmented nature of the present funding architecture is also detrimental to aid effectiveness at the country-level. Structural reform of the current funding system, however, may not be feasible due to complicated governance arrangements and decentralized modus operandi of UN development cooperation. For this reason, it is recommended that actions of Member States, as well as the UN development system, focus on improving the efficiency, effectiveness and coherence of the present funding system.

63. An important lesson of the past ten years or so is that the system of annually pledged voluntary contributions has not lived up to expectations, resulting in significant imbalance between core and non-core resources. As a result, the funding architecture has become highly fragmented, undermining system-wide coherence of UN development cooperation. Addressing these weaknesses in the funding system will require action by both donor countries and UN system entities alike.

64. It is recommended that further strengthening of the funding system of UN operational activities for development be guided by the following objectives:

1. Strong commitment by UN entities to common country programming and budgetary framework based on the principle of national ownership and leadership; [30]

2. Strengthened commitment of donors to increase overall contributions to UN operational activities for development, including core/regular resources of funds, programmes and specialized agencies, as key pillar of the funding system;[31]

[30] Common country programmes are sometimes referred to as "Common Operational Plan", "One UN Programme", "Operational Plan of the System", "Common Action Plan" or "Common Country Programme Action Plan".
[31] Including core voluntary accounts in relevant specialized agencies.

3. Improved predictability, stability, flexibility and adequacy of voluntary funding flows;
4. Simplification of the present architecture of supplementary funding, including improved alignment with strategic plans adopted by governing bodies of UN system organizations;
5. Enhanced performance management across the UN development system;
6. Strengthened link between funding and objective measures of performance;
7. Improved burden-sharing of core funding;
8. Enhanced commitment of all actors to the principle of aid effectiveness.

65. Ten recommendations addressed to both donor countries and the UN system, are made here below to further strengthen the system-wide funding architecture of UN operational activities for development.[32]

Resources flows

Recommendation 1: Renew commitment to funding volumes

66. The present global financial and economic crisis will affect the livelihoods of hundreds of millions of people in developing countries and endanger progress toward poverty reduction and other internationally-agreed development goals (IADGs), including the MDGs. Although all countries are greatly affected, developing countries are particularly exposed to this crisis. It is important that ODA provided to developing countries at this critical juncture be targeted to meeting poverty targets and other IADGs, including the MDGs.

67. At the G20 Summit in April 2009, as well as the Doha Review Conference on Financing for Development in November/December 2008, the Heads of State and Government reaffirmed their commitment to meeting the IADGs, including the MDGs and achieving ODA pledges. The rapidly deteriorating socio-economic situation in many developing countries in recent months as the result of the economic and financial crisis calls for accelerated delivery of existing donor commitments on development assistance. The UN Chief Executives Board for Coordination (CEB), at its April 2009 session, reiterated that commitments made earlier to increase ODA, must be met. The CEB decided to set-up nine joint initiatives to assist countries and the global community to confront the crisis, accelerate recovery and build a fair and inclusive globalization allowing for sustainable economic, social and environmental development for all.[33]

68. It is recommended that the Secretary-General of the UN, with support of the Chair of UNDG, as well as the UNDG Advisory Group, in consultation, as appropriate, with Heads of agencies, undertake high-level policy dialogue with Member States on how the UN development system can contribute to socio-economic recovery in developing countries during this time of global economic and financial crisis, most effectively.[34] This high-level policy dialogue could include

[32] See also recommendations in related paper of the Secretary-General on governance of UN operational activities for development.
[33] The nine areas are: additional financing for the most vulnerable; food security; trade; green economy initiative; global jobs pact; social protection floor; humanitarian, security and social stability; technology and innovation; and monitoring and analysis.
[34] Including through enhanced regional/sub-regional cooperation.

consultation with donor countries on the need to develop an indicative forward-looking (3-year) spending plan for UN development cooperation at country, regional and global levels, underpinned by enhanced burden-sharing of core funding. This dialogue should also include intensified exchange and coordination with the BWIs.[35]

Recommendation 2: Provide minimum of 50 per cent of system-wide contributions as core/regular funding

69. The General Assembly, in resolution 62/208, has called for substantial increase in voluntary contributions to core/regular budgets of the UN development system. It is recommended that donors, other than programme countries contributing to UN operational activities for development at the national-level, commit to contributing a minimum of 50 per cent of system-wide funding for UN operational activities for development as core resources.[36] Although this ratio may vary from one organization to another, the objective would be to ensure that core resources are at least 50 per cent of overall funding to UN operational activities for development.[37] At present, the share of core funding of overall contributions is around 30 per cent. Reaching the 50 per cent target over a 4-year period, for example, would require shifting annually about $1 billion from non-core to core resources (based on current 2007 US dollars).[38] This should also include enhanced commitment by donors to early payment of core contributions to UN organizations to allow for better planning and less exchange rate risk.

Recommendation 3: Revise budgetary laws and practices to allow for multi-year core funding commitments

70. Multi-year core funding commitments contribute to enhanced predictability and sustainability of resources flows to UN operational activities for development. Such commitments also improve cash-flow management and programme planning and implementation. The lack of established governance mechanisms for multi-year core contributions; parliamentary constraints on allocations for a period longer than one-year; resource allocations restricted to certain themes or regions; and different fiscal cycles, are some of the challenges experienced by donor governments in making multi-year core funding commitments to UN development cooperation. It is recommended that governments in donor countries consider undertaking the necessary legislative changes to allow for such multi-year core funding commitments to the UN development system.

---

[35] See also recommendation nine in related paper of the Secretary-General on governance of UN operational activities for development.

[36] This would include contributions to core voluntary accounts established in several specialized agencies to enhance predictability of funding. The ILO, WHO, FAO and other agencies have successfully established such accounts that allow donors to increase funding to the regular budget in above assessed contributions determined by the respective governing bodies. For the purpose of this paper, such contributions are defined as 'core' as they resemble voluntary core resources to funds and programmes (see Annex for more information). This recommendation to provide minimum of 50 per cent of system-wide contributions as core/regular resources should also not lead to reduction in overall funding to UN operational activities for development.

[37] Some UN organizations such as WFP do not receive core funding, but rely on voluntary contributions. For WFP it is particularly important to enhance predictability of funding through multi-year contributions.

[38] In 2007, core/regular resources of overall contributions were about $5.6 billion.

Recommendation 4: Channel minimum of 50 per cent of system-wide non-core/extra-budgetary resources to thematic funds linked to strategic plans adopted by governing bodies

71. The fragmented nature of the supplementary funding architecture of UN operational activities for development undermines the ability of the UN system to pursue coordinated implementation of the global development agenda. Simplification of the extra-budgetary funding architecture is therefore key for enhanced system-wide coherence of UN development cooperation. Further streamlining of non-core resources flows by channeling such contributions to thematic funds linked to strategic plans adopted by governing bodies of UN system organizations could greatly enhance system-wide coherence.[39] The use of thematic funds allows UN organizations greater flexibility in allocation and lowers transaction cost, while enabling the donor to specify which theme or programmatic area to support from the strategic plan or interagency work plan. Thematic funds enable agencies to operate at the programme-level, as opposed to the project-level, and they encourage enhanced coherence with other agencies due to more flexible planning horizon. Thematic funds are usually managed by agencies at the global-level, but can also exist at regional and country levels.[40] It is recommended that donors, other than programme countries that contribute to UN operational activities at the national-level, allocate a minimum of 50 per cent of non-core/extra-budgetary resources flows to thematic funds linked to strategic plans adopted by governing bodies of UN system organizations.[41]

Recommendation 5: Support establishment of common country funds to fill funding gaps in common country programmes

72. Countries that have prepared an UNDAF, including implementation plan, should develop a common budgetary framework at the country-level. This framework should present a holistic financial picture of required, as well as available, resources in support of nationally-owned common country programme (in line with the UNDAF process), comprising three sources of funds: core resources, thematic funds and funds that need to be mobilized. While the core resources and thematic (and non-earmarked) funds remain within the control of each agency, the use of such funds should be fully aligned with the common country programme and budgetary framework. It is recommended that organizations of the UN development system establish common country funds to fill funding gaps in common country programmes.[42] The common country funds should be established as a multi-donor trust fund using UNDG/CEB standard documents and procedures.

---

[39] Some UN organizations such as WFP do not have thematic funds but 'programmatic funding windows'. This recommendation applies also to such funding modalities.

[40] In addition to organization-specific thematic funds, there has been major increase in contributions to interagency pooled funds in recent years as discussed earlier in this paper. The interagency pooled funds are used to address humanitarian, recovery, reconstruction and development challenges that have emerged at the country-level. Such funding arrangements promote system-wide coherence and enhance the potential of the UN system to respond to complex challenges.

[41] GA resolution 63/232 underscored the importance of mobilizing more predictable levels of voluntary contributions to the core operational programmes of the UN development system, recognizing the establishment of thematic trust funds, multi-donor trust funds and other voluntary non-earmarked funding mechanisms linked to organization-specific funding frameworks and strategies established by the respective governing bodies, as funding modalities complementary to regular budgets.

[42] Several names are currently being used for such funds at the country-level including "One UN Fund" and "Coherence Fund".

73. The common country fund would support coordinated resources mobilization, allocation and disbursement of donor contributions for the unfunded elements of the common country programme. Through the establishment of a Steering Committee, co-chaired by the national government and the UN Resident Coordinator, the establishment of the common country fund would further strengthen national leadership and the coherence and alignment of the common country programme with national development priorities. The establishment of the common country fund would also decrease transaction cost to all stakeholders (single consolidated report, fewer agreements) and improve the efficiency of UN operations by ensuring a great degree of flexibility in the allocation of resources within the common country programme.

Organizational performance

Recommendation 6: Reform multi-year strategic planning frameworks

74. It is recommended that UN entities undertake major strengthening of existing results-based planning systems, including multi-year funding frameworks (MYFFs), with a view of improving predictability, stability, flexibility and adequacy of resources flows. This could include introducing in strategic plans of UN entities more detailed costing of development results to be achieved and better definition of objectives, baseline information and performance indicators. An important objective would be to improve the effectiveness of results-based management and reporting in UN system organizations. This would allow UN entities to better communicate to Member States and other stakeholders, agency-specific, as well as system-wide, results at the country-level. Costing of development results would form the basis of the multi-year funding framework which would be an inherent part of the strategic plan. This approach would enable donors to make multi-year funding commitments to the respective UN entity against the delivery of well-defined development results. This approach would also establish stronger link between development results and resources requirements.

Recommendation 7: Establish common standard to assess organizational and operational effectiveness

75. Several donors have developed methodologies to assess the organizational effectiveness of multilateral agencies. In some instances, these surveys are used to influence allocation of resources to UN organizations. These studies have not been conducted through an inclusive process, but are donor-led initiatives, with findings and recommendations reflecting their views. It is recommended that common standard be developed for use by governing bodies to assess organizational and operational effectiveness of UN entities. The common standard could build on the best attributes of some of the existing methodologies in this area. An important objective would be to promote performance improvements across the UN system. In addition, it is envisaged that the establishment of common standard to assess organizational and operational effectiveness could strengthen the strategic positioning of the UN system vis-à-vis other key actors in international development cooperation.

76. It is recommended that the common standard be developed by UNDG/CEB through an inclusive, transparent and objective process, involving also representatives of programme countries and donors. It is expected that governing bodies would use this common standard to undertake biennial assessment of the organizational and operational effectiveness of UN entities.

Aid effectiveness

Recommendation 8: Harmonize results-based management, monitoring and evaluation and reporting systems at country-level

77. The adoption of common country programme and budgetary framework calls for harmonization of results-based management (RBM), monitoring and evaluation (M&E) and reporting systems across the UN system at the country-level. An important objective would be to strengthen the accountability of the UN country team to the national government for the delivery of results agreed in the UNDAF and the common country programme. Harmonized RBM, M&E and reporting systems should enable assessment of agency-specific, as well as system-wide, results and impact of UN development cooperation at the country-level. Harmonization would also enhance aid effectiveness and reduce transaction cost to both national governments and the UN system. It is recommended that UNDG/CEB lead the establishment of UN-wide standard for RBM, M&E and reporting systems at the country-level. This should include development of common reporting standards for interagency pooled funds and thematic funds that would meet the needs of both donors and UN system entities.

Recommendation 9: Standardize funding terminology and procedures

78. As part of the effort to comply with the International Public Service Accounting Standards (IPSAS), UN organizations and donors will have to adopt common language and procedures in the area of financial resources management. It is recommended that this process also include adopting common definitions of funding sources of UN operational activities for development. Such standardization would improve the effectiveness, efficiency and transparency of financial reporting of UN operational activities for development. Furthermore, it is recommended that all relevant stakeholders agree on common definition of ODA, with a view, of avoiding, inter alia, either under-reporting or double counting, of contributions to UN operational activities for development.[43] In addition, it is recommended that the UN development system and donors adopt model agreements with a view of reducing transaction cost involved in repeated negotiations of specific conditions in mobilization of resources.

[43] GA, in resolution 62/208, has requested the Secretary-General, making use of existing capacities within the Secretariat, and, if necessary, voluntary contributions, to continue to broaden and improve the coverage, timeliness, reliability, quality and comparability of system-wide financial data, definitions and classifications for the financial reporting of operational activities for development of the UN system, in a coherent way.

Recommendation 10: Publish biennial aid effectiveness report

79. It is recommended that the UN development system publish biennially an analytical report on progress in improving aid effectiveness of UN development cooperation. This analytical report could serve as background document for the biennial high-level Development Cooperation Forum (DCF) of ECOSOC, the Council's Operational Activities Segment, as well as other high-level events on aid effectiveness issues. Publication of the biennial aid effectiveness report would provide an opportunity for the UN development system to communicate to all relevant stakeholders, progress made by UN entities in meeting global aid effectiveness commitments as well as relevant policy recommendations and guidance established by the DCF and the comprehensive policy review of the GA. It is recommended that the biennial aid effectiveness report be prepared by UNDG/CEB in cooperation with UNDESA.

D. Conclusion

80. There is consensus among Member States that the fragmented nature of the present funding architecture of UN development cooperation undermines the ability of the UN system to pursue coherent, effective and efficient implementation of the global development agenda. The ten recommendations proposed in this note focus on measures to strengthen the existing funding architecture rather than suggesting major structural reform.[44] This pragmatic approach reflects the complicated governance arrangements and decentralized nature of the UN development system. A compact is proposed where donors would renew commitment to improve the quantity and quality of resources flows while UN system entities would undertake commensurate action to enhance organizational effectiveness and aid effectiveness.

[44] These recommendations should be reviewed along with related proposals to strengthen the governance of UN operational activities for development and discussed in a separate note of the Secretary-General.

Annex

Strategies to enhance predictability of voluntary core resources flows and policy coherence

81. Three distinct funding models have emerged in the UN system to enhance the predictability of voluntary core resources flows and policy coherence.

1. Multi-year funding frameworks (MYFFs)

(a) UN funds and programmes

82. Following GA resolution 50/227 and ECOSOC resolution 1997/59, the Executive Boards of UNDP, UNICEF and UNFPA decided to develop multi-year funding frameworks (MYFFs), with the aim of increasing core resources flows on a predictable, continuous and assured basis. For UNDP, Executive Board decision 98/23 laid out the basic principles and purpose of the revised funding strategy, which would consist of the MYFF, accompanied by a reporting system comprising an annual results-oriented report and a four-yearly assessment of the MYFF. The MYFF itself is comprised of a strategic results framework and an integrated resources framework, bringing together both programme and administrative resources. The Executive Board of UNDP approved the first MYFF in September 1999. The first annual results-oriented report was presented to the UNDP Executive Board in mid-2000. For UNICEF, the first MYFF was approved by the Executive Board in January 2000 and for UNFPA at the second regular session of its Executive Board in the same year. The WFP, however, doesn't have a MYFF, but has opted instead for a strategic plan approach to guide its operations and funding.

83. The MYFFs and the strategic plans have become the main instrument of UN funds and programmes for articulating organizational goals, focus areas, performance indicators, outcome expectations and recourses requirements. A survey undertaken for the preparation of this note has confirmed that this approach has been widely adopted within the UN development system as all UNDG members have such a framework in place, although with varying timeframes and not all including a resources component. An essential requirement of MYFFs and strategic plans is the establishment of results indicators to monitor the effective use of resources. Donors are invited to make contributions that are consistent with and for the entire timeframe of the MYFF.

84. A major challenge in many UN organizations has been to meet the regular resources targets, agreed in the MYFF or strategic plan. Burden-sharing has been another important issue affected by the voluntary nature of the pledging process for UN funds and programmes. From 1995 to 2007, as mentioned earlier, the top ten donors to UNICEF contributed on average almost 81 per cent of core contributions; for UNDP the percentage was close to 85 per cent; and for UNPFA it exceeded 93 per cent. This suggests that the MYFFs have not yet resulted in more effective burden-sharing among donors.

85. The multi-year funding framework or strategic plan approach has also been adopted by a number of specialized agencies, with two of those models briefly described here below.

(b) UNESCO

86. UNESCO has recently adopted an Action Plan for improved management of extra-budgetary contributions, with a view of forging seamless interface between the regular programme and activities funded through supplementary resources. The key innovation in the Action Plan is the preparation, beginning with the 2008-2009 biennium, of an "additional programme of targeted/projected extra-budgetary activities" in full alignment with the regular programme and budget adopted by the General Conference of UNESCO. UNESCO has identified some 500 targeted/projected extra-budgetary activities, which follow the structure of the regular programme and are closely linked to results. The "additional programme" is meant to be the main vehicle for the resources mobilization of UNESCO during the current biennium.

(c) FAO

87. The 35th (Special) Session of FAO Conference held 18-22 November 2008, adopted an Immediate Plan of Action (IPA) for FAO Renewal (2009-2011). A key element of the IPA is a new strategic framework and resource mobilization and management strategy, which shifts the focus of the organization from what it does with assessed contributions to what it intends to achieve through the integrated application of existing assessed resources and voluntary funding, with a view of providing greater transparency and improved basis for monitoring. In the new integrated framework, assessed contributions are supplemented by extra-budgetary funding in support of agreed strategic priorities. This approach is expected to facilitate increased predictability of extra-budgetary resources through greater pooling of programme funding (as distinct from project funding). As part of this framework, seven Impact Focus Areas are proposed for resources mobilization, fully aligned with the new strategic framework and medium-term results-based plan.

2. Negotiated voluntary core funding

(a) UNEP

88. Since its inception, UNEP has received some funding from the regular budget of UN to finance the expenses of its secretariat, with programme activities financed through voluntary contributions to the Environment Fund. In the early years, the contributions from the UN regular budget covered more than 20 per cent of the expenditures of UNEP. That input has now fallen to about 4 per cent of the total budget.

89. The Governing Council/Global Ministerial Environment Forum of UNEP at its seventh special session in Cartagena, Colombia, in 2002, adopted a report of the Open-ended Intergovernmental Group of Ministers or their Representatives on International Environmental Governance. The report called for all Member States to contribute to UNEP, and towards that end, proposed the application of a voluntary indicative scale of contributions (VISC) to the Environment Fund. The objective would be to broaden the base of contributions and enhance predictability in the voluntary financing of the Environment Fund.

90. The VISC was developed specifically for the Environment Fund, taking into account, among other things, the UN scale of assessments and the following factors:

- A minimum indicative rate of 0.001 per cent;
- A maximum indicative rate of 22 per cent;
- A maximum indicative rate for least-developed countries of 0.01 per cent;
- Economic and social circumstances of the Member States, in particular those of developing countries and countries with economies in transition;
- Provision to allow for any Member State in a position to do so to increase its level of contributions over and above the current level.

91. In response to the Council/Forum's adoption of the Working Group's report, the Executive Director of UNEP launched a pilot phase of the voluntary indicative scale of contributions for one year, the second year of the 2002-2003 biennium. Following the pilot phase, the scale was then applied in the biennium 2004-2005 and subsequently revised for 2006-2007 and 2008-2009.

92. The main results achieved through the introduction of the VISC have been summarized in a recent report of the Executive Director of UNEP and include the following:[45]

- Significant broadening of the donor base, as 157 UN Member States have pledged and paid contributions during the last six years. In particular, many developing countries and countries with economies in transition have become new donors. Not all donor countries have been able to make regular annual contributions;
- Greater short-term predictability with respect to voluntary contributions to the Environment Fund, as approximately 75 per cent of Member States pledge annually in accordance with the VISC;
- Improved financial stability, as the majority of countries have at least maintained the level of their payments to the Environment Fund;
- Higher voluntary payments to the Environment Fund, as the negative trend in contributions experienced during the four biennium preceding the adoption of the VISC was reversed and positive growth in contributions commenced immediately upon adoption of the scale. Pledges and contributions to the Environment Fund increased by 83 per cent, from $48 million in 2002 to $88 million in 2008;
- Approximately 25 per cent of Member States contribute in amounts below those suggested by the VISC.

93. In a 2006 report, the Joint Inspection Unit of the General Assembly supported the VISC model of UNEP as a 'best practice' to improve the predictability and adequacy of resources for those UN system organizations facing uncertain core funding.

[45] UNEP/GC.25/INF/14, 1 December 2008.

(b) WHO

94. For WHO, the concept of negotiated core voluntary funding was introduced against the backdrop of extra-budgetary resources gradually becoming major proportion of total contributions. In the 2004-2005 biennium, for example, about 74 per cent of total contributions to WHO were voluntary. Contributions to WHO come from three sources: (a) assessed contributions, (b) negotiated core voluntary contributions, and (c) other voluntary contributions. When the "negotiated core voluntary funding" concept was introduced by WHO Medium-Term Strategic Plan (2008-2013) and Programme Budget (2008-2009)[46], more than 75 per cent of its extra-budgetary resources came from 12 donors, with the remaining 25 per cent contributed by 400 donors. Negotiated core voluntary contributions would provide predictable amounts for a time period corresponding to the WHO Medium-Term Strategic Plan, and would be negotiated centrally in order to align the extra-budgetary funding with the strategic objectives and results of the organization. Currently, slightly more than 10 per cent of voluntary contributions can be considered as negotiated core voluntary funding, with the aim to increase this share to one-third by 2013.

(c) ILO

95. ILO and its tripartite constituents have established a Regular Budget Supplementary Account (RBSA). The RBSA is a 'core voluntary account', which allows donors to make non-earmarked voluntary contributions over and above their assessed contributions to expand and deepen the capacity of the organization to deliver on the priorities set by the ILO Programme and Budget, in particular the implementation of Decent Work outcomes and priorities as contribution to UNDAFs and national development frameworks. The integrated programme and budget sets out limited number of priority outcomes as well as total resources that would contribute to the results proposed under each outcome. Under each outcome, indicators of performance are identified and targets are set, corresponding to priorities defined by the governing body, the regions and in Decent Work country programmes. This hierarchy of results, the underlying results-based management strategy, and the integrated resource planning has been further streamlined in the programme and budget proposals for 2010-11 that ILO presented to its governing body in March 2009.

96. So far, eight donors have contributed more than $42 million to the RBSA and have agreed to uniform reporting standards fully aligned with the results-based programming and reporting frameworks of ILO. In it's first-ever report on the multilateral system,[47] OECD/DAC has highlighted the core voluntary account of the ILO as 'best practice': "the ILO example suggests how donors could usefully apply Paris Declaration principles in their non-core funding of multilateral organizations".

[46] Approved by the World Health Assembly at its 60th session in May 2007.
[47] See 2008 OECD/DAC Report on Multilateral Aid.

3. Replenishment system

IFAD

97. In addition to MYFFs used by the funds and programmes and the innovative approaches applied by UNEP, WHO, ILO, UNESCO and FAO, to enhance the predictability of voluntary resources flows, IFAD has adopted an approach based on "negotiated replenishment". According to this approach, required contributions are first estimated based on review, undertaken under the responsibility of the Governing Council of IFAD, of the adequacy of resources available in the Fund. In the second stage, donors negotiate burden-sharing among themselves. The replenishment process is a complex mechanism, involving full review of the policies pursued by the Fund, including the performance-based system for allocating resources and assessment of results and impact of field operations.

98. The strength of the replenishment mechanism is that the volume is closely related to perceived needs and defined objectives, that it allows for financial planning by the institution over a number of years and that burden-sharing is negotiated and effected within a unified framework, thus minimizing scope for "free-riding", i.e. reaching the agreed target becomes a collective responsibility.

99. The experience of IFAD with the negotiated replenishment mechanism has been positive. Since the fourth replenishment (1998-2000), contributions from Member States have grown steadily. During the sixth replenishment (2004-2006), IFAD received $569.1 million, representing nearly 29 per cent growth from the previous cycle. The target-level for the seventh cycle (2007-2009) is $720 million, with $588.1 received in the first year, surpassing total contributions for the entire sixth replenishment period. The average annual growth, in real-terms, in contributions in the 2002 to 2007 period was 18.7 per cent (constant 2006 US dollars).

100. Since its establishment, IFAD has used a voting structure partly linked to contributions paid by individual donors. This process ensures an ongoing majority level of votes for programme countries, while the pool of votes to donor countries can shift according to level of contributions. Like most organizations with such voting structures, IFAD strives to reach decisions by consensus. If consensus cannot be achieved, countries vote with different voting shares. These shares are also factor in determining donor representation on the Executive Board of the Fund.

101. Besides IFAD, a negotiated replenishment modality is used by a range of institutions such as the International Development Association (IDA), as well as several global funds including the GEF and the Global Fund to Fight AIDS, Tuberculosis and Malaria. While complex, the replenishment modality has proven itself capable, given the necessary political will and the right environment, of mobilizing significant volume of resources for the concerned entities.

Discussion Note

Strengthening governance of operational activities for development of the United Nations system for enhanced system-wide coherence

United Nations Secretariat
New York

15 April 2009

Contents

A. Introduction 1

B. Background 2

C. Overview of intergovernmental governance and institutional arrangements 5

Intergovernmental governance 5

Institutional and interagency arrangements 8

D. Gaps and weaknesses in governance 11

E. Possible options for way forward 13

Strategic overview 13

Recommendation 1: Creating a central repository of information on UN operational activities for development 13

Policy coherence 14

Recommendation 2: Reforming policy guidance process 14

Recommendation 3: Furthering normative-operational linkages in work of UN system 15

Recommendation 4: Fostering coherent intergovernmental decision-making 15

Coordination 15

Recommendation 5: Furthering nationally-owned common country programming 15

Recommendation 6: Revitalizing coordination role of Operational Activities Segment 16

Recommendation 7: Advancing coordinated implementation of global development agenda 18

Recommendation 8: Harmonizing support of regional coordination mechanisms to common country programming 19

Recommendation 9: Improving coordination with the BWIs 20

Accountability 20

Recommendation 10: Strengthening system-wide performance review and evaluation 20

F. Conclusion 21

List of acronyms

ACC	Administrative Committee on Coordination
AMR	Annual Ministerial Review
BWIs	Bretton Woods Institutions
CCA	Common Country Assessment
CEB	Chief Executives Board (for Coordination)
DAC	Development Assistance Committee
DCF	Development Cooperation Forum
DaO	Delivering-as-One
DOCO	Development Operations Coordination Office
ECESA	Executive Committee of Economic and Social Affairs
ECHA	Executive Committee on Humanitarian Affairs
ECOSOC	Economic and Social Council
ECPS	Executive Committee on Peace and Security
EMG	Environment Management Group
EPTA	Expanded Programme for Technical Assistance
FAO	Food and Agricultural Organization
GA	General Assembly
HLCM	High-level Committee on Management
HLCP	High-level Committee on Programmes
HLS	High-level Segment
IADGs	Internationally agreed development goals
IASC	Inter-agency Standing Committee
ICGFI	International Consultative Group on Food Irradiation
ILO	International Labour Organization
ITC	International Trade Centre
ITU	International Telecommunication Union
JIU	Joint Inspection Unit
MDGs	Millennium Development Goals
NRA	Non-resident agency
OAS	Operational Activities Segment
OECD	Organization for Economic Cooperation and Development
RC	Resident Coordinator
RCM	Regional Coordination Mechanism
RDT	Regional Directors Team
SF	Special Fund
SG	Secretary-General
TCPR	Triennial Comprehensive Policy Review
UN	United Nations
UNCT	United Nations Country Team
UNCTAD	United Nations Conference on Trade and Development
UNDAF	United Nations Development Assistance Framework
UNDESA	United Nations Department of Economic and Social Affairs
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNEG	United Nations Evaluation Group
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization

UNFPA	United Nations Population Fund
UNHCR	United Nations High-Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNRWA	United Nations Relief and Works Agency
UPOV	International Union for the Protection of New Varieties of Plants
UPU	Universal Postal Union
WFP	World Food Programme
WHO	World Health Organization
WMO	World Meteorological Organization
WTO	World Trade Organization

A. Introduction

1. The current note has been prepared in response to General Assembly resolution 62/277 on System-wide Coherence, adopted by consensus on 15 September 2008, which requested the Secretary-General "drawing on the resources and expertise of the United Nations system and building on the outcome of [the] triennial comprehensive policy review, to provide to Member States substantive papers on the issues of funding and governance, as these issues arise in the context of system-wide coherence, with a view to facilitating substantive action by the General Assembly". The present note focuses on the issue of governance.[1]

2. Member States have engaged in extensive informal consultations on United Nations (UN) system-wide coherence during the 61st and 62nd sessions of the General Assembly (GA). There has been broad consensus that further strengthening of governance of UN operational activities for development should be guided by the following principles:

- Governance at the global-level should be fully supportive of nationally-owned development strategies at the country-level;
- The comprehensive policy review of operational activities for development is an effective legislative framework within which the GA establishes key system-wide policy orientations for the development cooperation and country-level modalities of the UN system;
- Changes to governance structures should focus on strengthening existing intergovernmental bodies such as the Economic and Social Council (ECOSOC) and the governing bodies of UN entities;
- Governance structures should more fully contribute to greater efficiency in the delivery of operational activities for development of the UN system at the country-level;
- Intergovernmental oversight should promote enhanced development effectiveness at the country-level and full access of programme countries to UN resources, including those of specialized and non-resident agencies and regional-level entities;
- Strengthening governance of operational activities for development of the UN system should advance collaboration and coordination between the Bretton Woods Institutions (BWIs) and the rest of the UN system;
- Strengthening the effectiveness of the governance system is inseparably linked to the funding of UN operational activities for development.

3. This consensus has guided the formulation of the recommendations presented later on ways to further strengthen governance of UN operational activities for development for enhanced system-wide coherence.

[1] This note should be read in conjunction with a separate paper on funding, which is closely related.

B. Background

Functional approach applied to the design of the UN system

4. Many of the "coherence" problems which have arisen can be traced back to the founding of the organization. A functional approach, rather than a federalist one, was seen as more responsive to the needs of Member States in different thematic or sectoral areas. Consequently, the UN system came to be organized around independent specialized agencies, whose relationship with ECOSOC was established by set of formal agreements. The relationship came to be contractual rather than hierarchical with new organizations, each with a distinct identity and not fitting a preconceived model, created as needs arose.[2]

5. In the early years, however, the UN system rarely engaged in operational activities for development. Neither did the predecessors of several of the current specialized agencies, which were established prior to the creation of the UN.[3] UNICEF was created in December 1946 by the GA to provide food, clothing and health care to children. It was in 1948 that the GA, in resolution 200 (III), "authorized technical assistance to be carried out by the Secretary-General of the UN, in addition to the programme already undertaken by the Specialized Agencies." In response to this resolution, the Expanded Programme for Technical Assistance (EPTA) and the Special Fund (SF) were established in 1949 and 1958 respectively, both financed through annually pledged voluntary contributions. An Advisory Committee on Coordination (ACC) consisting of the Secretary-General of the UN as Chair and the Executive Heads of the specialized agencies was created in 1946. With the growth of the funds and programmes of the UN and the creation of new organizational entities, the scope of the work of the ACC expanded beyond the initial emphasis on the implementation of the relationship agreements between the UN and the specialized agencies, to encompass whole range of substantive and management issues facing the UN system, including operational activities.

Coordination deficits emerge during the 1960s and 1970s ...

6. The creation of many new UN entities during the 1960s, including the World Food Programme (WFP) (1961), the United Nations Conference on Trade and Development (UNCTAD) (1964) and the United Nations Industrial Development Organization (UNIDO) (1967),[4] added further complexity to the coordination of UN operational activities for development. By end of the 1960s, a wide range of UN bodies such as specialized agencies, regional commissions and other Secretariat entities were engaged in operational activities for development. This rapid expansion of engagement in operational work led to calls for the creation of a new structure of system-wide nature that could promote greater synergy and coordination in operations and funding. In 1965, the GA, decided to establish the United Nations Development Programme (UNDP), a new body charged with coordinating the funding of technical assistance provided by the

[2] The term "specialized agencies" refers in this document to those agencies mentioned in article 57 of the UN Charter that have been brought into relationship with the UN under agreements approved by the GA. They are commonly grouped together with a few autonomous bodies who are not de jure specialized agencies, but who work in close cooperation with a UN organization (e.g. International Trade Centre (ITC), International Consultative Group on Food Irradiation (ICGFI), International Union for the Protection of New Varieties of Plants (UPOV) and World Trade Organization (WTO).

[3] The International Telecommunication Union (ITU) was established in 1865; the World Meteorological Organization (WMO) in 1873; and the Universal Postal Union (UPU) in 1874.

[4] UNIDO was established as a UN programme in 1967 with headquarters in Vienna, Austria, and became a specialized agency of the United Nations in 1985.

UN system. According to the new arrangement, development projects were generally executed by a UN entity, other than UNDP. The normative and specialized entities of the UN system therefore looked to UNDP to fund projects that allowed them to implement programme priorities established by the respective governing body.

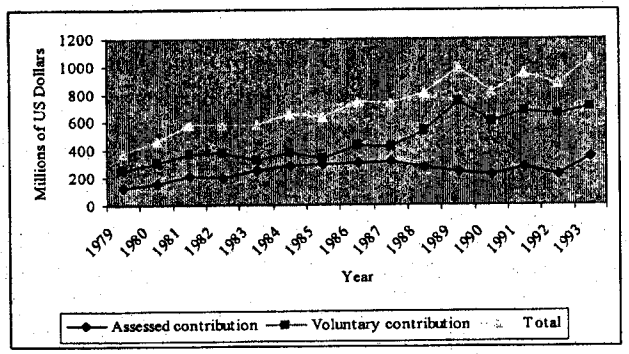
7. The 1970s witnessed continued expansion of UN operational activities for development. To address the coordination deficit that had emerged, the GA, in resolution 32/197, decided to authorize the Secretary-General to appoint a Director-General for Development and International Economic Cooperation. An important task assigned to the new Director-General was to ensure the provision of effective leadership to the various components of the UN system in the field of development and international economic cooperation in order to ensure a multi-disciplinary approach to the problems of development on a system-wide basis. The post, however, was not provided with the kind of support structures that would establish a powerful new locus for policy coordination within the system. The function was abolished in 1992.

... with coordination arrangements coming under growing pressure in the 1980s

8. In the 1980s, funding for UN operational activities for development became increasingly earmarked for specific purposes, as donors attempted to exercise greater control over the direction and activities of the UN system. At the same time, in the context of the Cold War, the UN system went through a major crisis of funding as some donors withheld contributions. This period also witnessed a growing sentiment questioning the ability of the UN system to deliver development support to programme countries in an efficient, effective and coherent manner. Moreover, the system of execution by UN agencies came under further pressure in the late 1980s and early 1990s as programme countries opted for government and later national execution as the preferred modality for delivering UN technical assistance.

9. The centralized approach to funding was gradually abandoned in the early 1990s, culminating in a major systemic change in 1995, when UNDP transformed itself from a central fund to being primarily a substantive organization. The shift towards national execution of projects and programmes, instead of the previous modality of execution by UN agencies, also meant that the specialized agencies could rely much less on UNDP for funding for operational activities for development and became increasingly reliant on direct resources mobilization from donors. This, coupled with gradual erosion in core funding, led to significant growth in the share of extra-budgetary resources of overall contributions to specialized agencies from 1987 onwards (see Graph 1). This agency-specific resources mobilization approach was a significant factor in accelerating fragmentation of the UN development system.

Graph 1 – Contributions to operational activities of specialized agencies 1979-1993



Shift towards programmatic cooperation and common approaches as means to enhanced coordination in the 1990s

10. The latter half of the 1990s marked a step change in the approach pursued by Member States to promote enhanced coordination and coherence within the UN system. The institutional reform undertaken during the 1960s to 1970s had not resulted in marked improvement in coordination within the rapidly expanding UN system. The main reason was that these measures had not been complemented by initiatives to strengthen programmatic cooperation among UN entities. Furthering enhanced programmatic cooperation and common approaches was therefore at the centre of the 1997 reorganization, which, inter alia, led to the creation of the UN Development Group (UNDG), chaired by the Administrator of UNDP; the merging of three Secretariat departments into the new Department of Economic and Social Affairs (UNDESA); the creation of common UN houses at the country-level to facilitate enhanced cooperation and coherence; the introduction of the UN Development Assistance Framework (UNDAF) and Common Country Assessment (CCA) as key instruments for joint programming and development analysis within the UN system; the creation of the post of Deputy-Secretary-General to help the Secretary-General in ensuring coherence and to support the incumbent in raising the profile and leadership of the UN in the economic and social fields; and the establishment of the joint meetings of the Executive Boards of funds and programmes. In addition, a series of UN conferences and summits held during the 1990s and early part of the new century defined a set of objectives for the UN system and led to enhanced interagency cooperation in key areas.

11. Subsequent efforts to strengthen coordination within the UN system have largely been consistent with the general thrust of the 1997 reorganization. Since 2002, for example, there has been continued focus on improving field-level coordination of operational activities for development; further strengthening of both interagency cooperation through UNDG, whose membership was expanded to include virtually all UN organizations with a development mandate, and of the Resident Coordinator System; greater emphasis on measuring field-level results; and the acceleration of the establishment of common UN houses in programme countries.

12. The new pilot "Delivering-as-One" initiative is among the latest in this series of measures aimed at promoting enhanced UN-wide coordination through strengthened programmatic cooperation and common approaches. A stock-taking exercise conducted by UNDG/CEB in late 2007 suggests that progress has been made in implementing the one programme, one budget, one leader and one office in the 8 pilot countries. Through the one programme, national partners now have full overview of the range of UN activities and financial resources, as well as information on funding gaps. This has resulted in the UN system more fully aligning its programming with national development plans, under national leadership.

13. It is probably accurate to say that the past five-to-ten years have resulted in more far-reaching change to UN operational activities for development than in the preceding several decades.

C. Overview of intergovernmental governance and institutional arrangements

Intergovernmental governance

14. The General Assembly, Economic and Social Council and governing bodies of UN entities, in accordance with their respective mandates, constitute interrelated intergovernmental policy-making and oversight mechanisms of the work of the UN system for development.

General Assembly

15. The GA, through the *comprehensive policy review* of operational activities, establishes key system-wide policy orientations for the development cooperation and country-level modalities of the UN system. The comprehensive policy review evaluates the impact of the work of the UN system for development on programme countries and provides guidance for enhancing the capacity of those countries to pursue poverty reduction, sustained economic growth and sustainable development.

16. The GA, last December, decided to conduct the comprehensive policy review every four years and called for the aligning of the strategic planning cycles of funds and programmes with the timing of the review and encouraged specialized agencies to undertake such alignment as well.[5] Such alignment would enable the strategic plans of the funds, programmes and specialized agencies to be guided by the outcome of the GA comprehensive policy review, which could be a significant step towards enhanced coherence of UN operational activities for development.

17. The GA also develops policy guidance in a range of substantive areas, from macroeconomic and financing for development issues to social development and the advancement of women, including follow-up to the outcomes of major UN conferences and summits. This legislation contains implications for the operational activities for development of the UN system.

Economic and Social Council

18. ECOSOC is mandated to provide *coordination* and *guidance* to the UN system including for implementing the policy guidance of the GA established in the comprehensive policy review. As specified in the UN Charter "it may coordinate the activities of the specialized agencies through consultation with and recommendations to such agencies and through recommendations to the General Assembly and to Member States of the United Nations". Several aspects of the work of ECOSOC are relevant to the discharge of its mandate in the area of operational activities for development of the UN system, in particular the Operational Activities Segment and the Coordination Segment, but also the new functions of the Council in the High-level Segment, the Annual Ministerial Review and the biennial High-level Development Cooperation Forum. The main mandates of these mechanisms are briefly described here below.

---

[5] A/RES/63/232

19. The role of ECOSOC in coordinating and monitoring the implementation of policy guidance established by the GA is largely discharged through its *Operational Activities Segment* (OAS). The key functions of the OAS are the following[6]:

- Provide the UN system with cross-sectoral coordination and overall guidance on a system-wide basis, including objectives, priorities and strategies, in the implementation of the policies formulated by the GA in the field of operational activities for development;
- Monitor the division of labour between and cooperation within the bodies of the UN system, in particular the development funds and programmes, to include the conduct of field-level coordination, and make appropriate recommendations to the GA, as well as to provide guidance, where appropriate, to the system;
- Review and evaluate the reports on the work of the development funds and programmes, including the assessment of their overall impact, with a view of enhancing the operational activities of the UN on a system-wide basis;
- Undertake preparatory work for the triennial comprehensive policy review of operational activities by the GA;[7]
- Review the operationally relevant recommendations of the subsidiary bodies of ECOSOC and other relevant bodies in the light of policies established by the GA, in order to incorporate them, as appropriate, into the operational activities of the UN;
- Provide orientations and recommendations to the relevant inter-agency coordination mechanisms and to support and enhance their role.

20. According to GA resolution 45/264, the *Coordination Segment* will be of four to five days' duration devoted, inter alia, to the coordination of the policies and activities of the specialized agencies, organs, organizations and bodies of the UN system in the economic and social and related fields, in accordance with Articles 63 and 64 of the Charter. The heads of concerned specialized agencies, organs, organizations and bodies of the UN system, including multilateral financial and trade institutions, are invited to participate actively, making contributions to the policy dialogue reflecting a global perspective on the agreed upon theme or themes, as well as their activities in the chosen themes. ECOSOC has decided to focus its Coordination Segment on the follow-up by the UN system to the ECOSOC Ministerial Declaration of the previous year, as well as review reports prepared by the Secretary-General on the integrated and coordinated follow-up to major UN conferences and summits.

21. The *Annual Ministerial Review* (AMR), during the Council's High-level Segment, assesses progress and impact in the implementation of goals and targets agreed at the major UN conferences and summits[8]. The AMR consists of three elements, a global review of status in realizing the UN development agenda, a thematic review, and national voluntary presentations on

---

[6] A/RES/48/162

[7] See paragraph 5. The comprehensive policy review of operational activities for development of the UN system will from now on be conducted every four years, instead of triennially, with the next one taking place in 2012.

[8] See UNDESA publication "*The United Nations Development Agenda: Development for All*" for more information on the global development agenda.

progress at the country-level[9]. A multi-year programme of work has been established for the AMR. In 2009, the AMR and the Ministerial Declaration of the High-level Segment of ECOSOC will focus on public health, in 2010 on gender equality and empowerment, and in 2011 on education.

22. The 2005 World Summit Outcome mandated the biennial High-level *Development Cooperation Forum* (DCF) to review trends in international development cooperation, including strategies, policies and financing, promote greater coherence among the development activities of different development partners and strengthen the normative and operational link in the work of the United Nations. The General Assembly in resolution 61/16 more specifically, decided that the DCF will:

- review trends and progress in international development cooperation;
- identify gaps and obstacles with a view to make recommendations on practical measures and policy options to enhance coherence and effectiveness and to promote development cooperation for the realization of the internationally agreed development goals (IADGs), including the Millennium Development Goals (MDGs);
- provide a platform for Member States to exchange lessons learned and share experiences; and
- in accordance with the Rules of Procedure, be open to participation by all stakeholders.

23. The Doha Review Conference on Financing for Development, held from 29 November – 2 December 2008, re-emphasized the importance of the Development Cooperation Forum of ECOSOC as the focal point within the UN system for holistic consideration of issues of international development cooperation, with participation by all relevant stakeholders. The Conference also pointed out the growing need for more systematic and universal ways to follow quantity, quality and effectiveness of aid flows, giving due regard to existing schemes and mechanisms and invited the Secretary-General, with relevant UN system agencies, in close cooperation with the World Bank, the regional and sub-regional development banks, OECD/DAC and other relevant stakeholders, to address this issue and to provide a report for consideration by the DCF.

Governing bodies/boards of UN system organizations/entities

24. Executive Boards of funds and programmes are responsible, inter alia, for providing intergovernmental *oversight* of the respective entities in accordance with the overall policy guidance of the GA and ECOSOC, and for ensuring that they are responsive to the needs and priorities of recipient countries[10]. The executive heads of funds and programmes are appointed by the Secretary-General, following consultation with the respective Executive Board, and confirmed by the General Assembly. The Executive Boards are subject to the authority of ECOSOC and expected to bring to the Council's attention issues requiring its guidance[11]. Since 1998, the

[9] A/RES/60/1 and A/RES/61/16
[10] A/RES/48/162
[11] A/RES/50/227

Executive Boards of UNDP, UNFPA, UNICEF and WFP have convened a joint informal meeting once a year to discuss selected priority issues of common concern.

25. The UN system's specialized agencies are separate, legally autonomous organizations with their own policy-making and executive organs, secretariats and budgets. The executive heads of specialized agencies are elected by the membership of the respective entity. The detailed functioning of the relationship of specialized agencies with the UN is defined by the terms of special agreements established with ECOSOC and subsequently approved by the GA.

26. Article 63 of the UN Charter stipulates that the Council may coordinate the activities of the specialized agencies through consultation with and recommendations to such agencies and through recommendations to the GA and to Members of the UN. In Article 64, ECOSOC is authorized to take appropriate action to obtain regular reports from the specialized agencies. It may also make arrangements with the Members of the UN and with the specialized agencies to obtain reports on the steps taken to give effect to its own recommendations and to recommendations falling within its competence made by the GA.

Institutional and interagency arrangements

Below is a brief review of key institutional and interagency arrangements for managing and coordinating the work of the UN system for development at national, regional and global levels.

National

27. The United Nations Development Assistance Framework (UNDAF) is the collective, coherent and integrated programming and monitoring framework linking the normative and operational work of the UN system at the country-level. The UNDAF emerges from national analysis, possibly including a Common Country Assessment (CCA) of the national development situation. As per GA resolution 62/208, the UN Resident Coordinator, supported by the UN Country Team, should report to national authorities on progress made against results in the UNDAF.[12] The UN Resident Coordinator also reports to the Secretary-General through the UNDP Administrator, as Chair of UNDG.

28. As of early 2007, 164 CCAs and 146 UNDAFs had been prepared by the UN system and guided by the principle of national ownership and leadership. The programming cycles of UNDP, UNICEF, UNFPA and WFP, have also been harmonized in 110 countries, and to the largest possible extent, synchronized with national programming cycles, including poverty reduction strategies. A key component of the UNDAF process is the formulation of the Results Matrix, introduced in 2003, which forms the business plan of the UN system at the country-level. The UNDG website contains information on nearly 350 joint programmes at the country-level, understood as a set of activities reflected in a common workplan with a budget implemented and funded by at least two UN entities.[13]

---

[12] A/RES/62/208, paragraph 96.

[13] See Secretary-General's report on the comprehensive policy review of operational activities of the UN development system (A/62/73 – E/2007/52, 11 May 2007.

29. A pilot initiative launched in 2007 in eight countries, at their request, has helped to identify ways in which the UN family can deliver in a more coordinated manner at the country level. The creation of this pilot initiative was recommended by the Secretary-General's High-level Panel on UN System-wide Coherence and builds on the existing reform agenda established by Member States through the comprehensive policy review process. The Governments of eight countries - Albania, Cape Verde, Mozambique, Pakistan, Rwanda, Tanzania, Uruguay and Viet Nam – volunteered to become "Delivering-as-One" pilots. The pilot initiative will be subject to an independent evaluation.

30. The Resident Coordinator (RC) system encompasses all organizations of the UN system dealing with operational activities for development regardless of formal presence in the country. The RC, supported by the UNCT, has a central role in coordination of UN system operational activities for development at the country level. UNDG recently adopted a management and accountability system (M&A system) for the UN development and RC system. According to the new M&A system, the RC is accountable to the national government on behalf of and with the support of the UNCT, responsible for achieving and reporting on agreed RC results drawn from the UNCT workplan, and implementing the RC/UNCT "code of conduct". The RC system is managed by UNDP with guidance provided by an UNDG/Advisory Group, composed of members from 13 UN system organizations at Principal or Assistant-Secretary-General/Assistant-Director-General level.

Regional

31. All funds and programmes now have regional and/or sub-regional offices, as do most specialized agencies. For some entities such as ILO, WHO, FAO and UNESCO, the existence of such offices has been a long-standing tradition. Much headway was made in 2005 and 2006 in enhancing the role of regional directors across agencies. Regional alignment in terms of location of offices and coverage among all UN entities has also increased.

32. Two key structures play an important coordination role, first, Regional Coordination Mechanisms,[14] established by ECOSOC resolution 1998/46 and led by the Regional Commissions, which serve to improve coordination among work programmes of the organizations of the UN, and, secondly, Regional Director Teams (RDTs), composed of Regional Directors and relevant senior managers with direct supervisory responsibilities for agency engagement at country-level. In accordance with the recently adopted M&A system for the UN development and RC system, mentioned earlier, the RDTs have been tasked with providing coherent technical support to RCs and UNCTs; performance management of RCs and UNCTs; and quality assurance of UNDAFs/UN programmes. The RDT membership is being expanded to include all concerned agencies. The relationship between RCMs and RDTs currently varies across regions, but has

[14] Meetings of the RCMs have been convened by the Regional Commissions since 1999, focusing on policy and programming issues of regional nature and guided by regional priorities. The experience of the RCMs varies across regions, but have generally benefited from renewed momentum since 2007 under the sponsorship of the Deputy-Secretary-General. Currently, RCMs are regularly held in four regions with an executive tier discussing broader or emerging policy issues, and a thematic tier addressing specific programmatic issues of regional concern.

recently been clarified by the Chair of the UNDG.[15] There is clear need for regular linkage between the RCMs and the RDTs to discuss and maximize synergies in their respective workplans.[16]

Global

33. The Chief Executives Board for Coordination (CEB), under the leadership of the Secretary-General, furthers coordination and cooperation on a whole range of substantive and management issues facing UN system organizations. The CEB brings together on a regular basis the executive heads of the organizations of the UN system, under the chairmanship of the Secretary-General of the UN. In addition to its regular reviews of contemporary issues and major concerns facing the UN system, on the basis of recommendations from bodies reporting to it, CEB approves system-wide guidelines and recommendations, and may issue policy statements. CEB is supported by three high-level committees, the High-level Committee on Programmes (HLCP), the High-level Committee on Management (HLCM) and the UN Development Group (UNDG) which was recently incorporated in the CEB subsidiary machinery. This integration of UNDG/CEB as third pillar of CEB aims to increase coherence between the policy, programme and operational aspects of the work of the UN system.

34. UNDG, with support of the Development Operations Coordination Office (DOCO), prepares system-wide guidelines for enhanced coordination, harmonization and alignment of UN development activities at the country-level with the outcomes of major UN conferences and summits, as well as the guidance provided by the GA, ECOSOC and governing bodies of UN system entities. UNDG has a key role to play in translating GA and ECOSOC guidance into actionable guidelines for UN country teams.

35. The High-level Committee on Programmes of CEB (HLCP/CEB) has two main functions, first, system-wide follow-up of intergovernmental decisions, and, secondly, scanning and identification of emerging programme issues requiring a system-wide approach. These responsibilities include fostering and supporting integrated and coordinated follow-up to major UN conferences and summits, and elaborating common strategies, policies, methodologies and tools, in response to emerging issues and challenges facing the UN system. For example, as a follow-up to the outcome of the 2005 World Summit and the Ministerial Declaration of the High-level Segment of ECOSOC in 2006, the CEB/HLCP, under the leadership of ILO, developed a toolkit on mainstreaming employment and decent work in the work of the UN system. Similarly, in 2008, the HLCP/CEB, under the leadership of UNIDO, developed an interagency resource guide on trade capacity-building. The BWIs are members of the CEB, including the HLCP/CEB, and the World Bank participates as observer in the UNDG/CEB.

36. The High-level Committee on Management of CEB (HLCM/CEB) is responsible for ensuring coordination in administrative and management areas across the UN system. In response

[15] In the context of the CEB in 2008 and consequently by the agreement on the RDT functions in the M&A System referred to earlier.
[16] In 2006, the High-level Panel on System-wide Coherence called for UN entities at the regional-level to be reconfigured and for the UN regional-setting to be reorganized around two inter-related sets of functions: one focusing on the analytical and normative work as well as activities of trans-boundary nature, for which the Regional Commissions would act as catalyst using, inter alia, their convening power at both intergovernmental and secretariat levels; and another focusing on coordinating the servicing of UNCTs, for which UNDP, as manager of the Resident Coordinator System, would be the catalyst.

to the outcome of the 2007 GA comprehensive policy review of operational activities, the Executive Heads of UN system organizations in CEB have endorsed a Plan of Action for the Harmonization of Business Practices, developed through an inter-agency process led by HLCM/CEB and its functional networks. The Plan of Action addresses the harmonization of all major management functions of UN system organizations.

37. The UN Department of Economic and Social Affairs (UNDESA), provides substantive support to the GA and ECOSOC in delivering coherent and effective policy guidance to the operational activities of the UN system at the country level.

38. Besides CEB, other thematic internal coordination bodies and networks within the UN system include the Executive Committee of Economic and Social Affairs (ECESA), the Executive Committee on Peace and Security (ECPS), the Executive Committee on Humanitarian Affairs (ECHA), and the UN Evaluation Group (UNEG). Other coordination groups include the Inter-Agency Standing Committee (IASC), which involves key UN and non-UN humanitarian partners, and the Environment Management Group (EMG).

D. Gaps and weaknesses in governance

39. The informal consultations on system-wide coherence held during the 61st and 62nd session of the General Assembly suggest that the effectiveness of UN operational activities for development is being hampered by several gaps and weaknesses in governance at the intergovernmental and UN system-level. These gaps and weaknesses in governance have contributed to weak prioritization, overlap of functions, policy inconsistencies across the UN system, coordination deficits, and great difficulty in assessing system-wide performance. Further strengthening of the governance system for enhanced system-wide coherence should particularly focus on improving strategic overview, policy coherence, coordination, funding and accountability, of the work of the UN system for development.

40. **Strategic overview** – the UN system is a major actor in international development cooperation, receiving $19 billion in overall contributions for operational activities for development in 2007 (current US$). The ability of GA and ECOSOC to provide effective guidance, coordination and monitoring of this work, requires these legislative bodies to have access to comprehensive, high-quality and adequately disaggregated information on (a) the work of the UN system for development, (b) all sources of funding and (c) breakdown of expenditures. The complexity and decentralized modus operandi of the UN system, coupled with undeveloped information systems at the central-level, however, has meant that neither the GA nor ECOSOC has been able to attain such strategic overview of the work of the UN development system. This "information asymmetry" between intergovernmental bodies at the central-level and individual UN entities has weakened the ability of Member States to guide, coordinate and monitor the work of the UN development system. In addition, programme country governments and UN Resident Coordinators often lack similar strategic overview of the work of the UN system for development at the country-level.

41. **Policy coherence** – improved system-wide coherence of UN operational activities for development requires further strengthening of the policy guidance role of the GA and ECOSOC. In particular, there is need to enhance the effectiveness of the comprehensive policy review legislation of the GA that establishes system-wide policy orientations for the development cooperation and country-level modalities of the UN system. This legislation needs to provide strategic guidance to the work of the UN system for development at the country-level. The growing scale, scope and complexity of UN development cooperation, calls for a more focused approach to the legislative process, with clearer distinction between strategic, policy and operational guidance. Policy coherence has also been weakened by the absence of instruments to promote effective normative-operational linkages in the work of the UN system for development. Another factor undermining policy coherence of UN operational activities for development is the lack of policy consistency in decision-making across the intergovernmental governance system.

42. **Coordination** – system-wide coherence requires effective mechanisms for coordination across the UN system. There are five main areas where coordination could be further improved. First, at the country-level, system-wide coordination can be strengthened through the promotion of nationally-owned common country programming processes, involving all relevant entities of the UN system. Secondly, at the regional-level, there is need to further harmonize the support of Regional Coordination Mechanisms and Regional Director Teams to common country programming processes. Thirdly, at the global-level, linkages between HLCP/CEB and UNDG/CEB could be strengthened, particularly in providing coherent policy guidance, developing joint policy initiatives and rolling out tools for country programming and operations. Fourthly, there is significant scope for improvements in coordination between the UN system and the BWIs at all levels. And, fifthly, at the intergovernmental-level, ECOSOC could play a more strategic role in system-wide coordination, particularly through the Operational Activities Segment.

43. **Funding** - the present funding system is a major source of fragmentation of UN operational activities for development at global, regional and national levels. The fragmented nature of the funding architecture of UN operational activities for development undermines the ability of the UN system to pursue coordinated implementation of national, regional and global development goals, including the achievement of development results. The funding of UN operational activities for development is further discussed in a separate note of the Secretary-General.

44. **Accountability** - the accountability of the UN system to Member States for the delivery of development outcomes needs to be strengthened. A major weakness of the current accountability system is lack of independent system-wide performance evaluation. The absence of this function makes it difficult for ECOSOC to evaluate the development effectiveness of the work of the UN system for development. There is also need to further strengthen the development of common evaluation methodologies across the UN system under the auspices of UNEG and to enhance the independence of evaluation offices of UN entities.

E. Possible options for way forward

45. The analysis conducted in the previous section of the paper suggests that further strengthening of the governance system of UN operational activities for development should contribute to the following:

- Strong national ownership and leadership of UN programming at all levels;
- Improved quality of information on UN operational activities for development to facilitate informed decision-making at the intergovernmental-level;
- Well-defined roles and responsibilities of different actors such as GA, ECOSOC and governing bodies of UN entities, in the intergovernmental governance system;
- Strengthened capacity of GA and ECOSOC to provide guidance to the UN development system;
- Enhanced coherence and coordination across operational activities for development of the UN system, including with BWIs;
- Full participation of specialized and non-resident agencies in system-wide planning and programming processes at the country-level;
- Greater quality and relevance of reporting;
- Enhanced follow-up to the guidance of ECOSOC through decision-making in Executive Boards of funds and programmes, as well as improved linkages between the Council's guidance and governing boards of specialized agencies;
- Strengthened performance assessment of the work of the UN system for development.

46. Based on the gaps and weaknesses identified in the previous section as well as the above objectives, a number of recommendations are provided for improving the effectiveness of the governance system of UN operational activities for development for enhanced system-wide coherence. These proposed priority areas for strengthening the governance system are discussed below:

Strategic overview

Recommendation 1: Creating a central repository of information on UN operational activities for development

47. It is recommended that a central repository of information be established to facilitate improved strategic overview of the work of the UN system for development. The primary objective of the repository would be to publish annually comprehensive, high-quality and sufficiently dissagreated information on (a) the work of the UN system for development, (b) all funding sources and (c) breakdown of expenditures.[17] The establishment of the central repository would be

[17] In this context, it is worth mentioning that the GA, in resolution 63/232, requested UNDP and UNDESA, making use of existing capacities within the Secretariat and, if necessary, voluntary contributions, to take the necessary steps to integrate by 2010 information from the report on the UN system technical cooperation expenditures and its statistical addendum into the report on the comprehensive

expected to further strengthen the coordination, monitoring and evaluation role of ECOSOC. This mechanism could potentially be housed in UNDESA, CEB Secretariat or UNDG/CEB. It is also recommended that a similar facility be designated or established at the country-level to provide the national system and the Resident Coordinator with a full overview of the activities of the UN system.

Policy coherence

Recommendation 2: Reforming policy guidance process

48. Enhanced system-wide coherence will require further strengthening of the legislative framework guiding UN operational activities for development. It is recommended that the GA comprehensive policy review has distinct terms of reference to provide guidance on strategic, policy and operational issues. Improving the effectiveness of the legislative process would also involve further clarification of the roles and responsibilities of the GA and ECOSOC in providing guidance to the UN system. The GA resolution could provide strategic and policy guidance to UN operational activities for development. Within this overarching perspective, the Council could provide operational guidance to the UN system. In other words, the Council could transform the GA policy guidance into specific operational guidance, using available instruments. The GA resolution, for example, could be expected to focus more strongly on strategic and policy issues to promote normative-operational linkages, positioning of the UN. system, partnerships, funding, coherence, results and accountability, with subsequent ECOSOC legislation providing guidance in implementing the established policy through operational matters such as frameworks and instruments, business practices and processes, coordination, monitoring and evaluation. The primary objective would be to further enhance the effectiveness of the intergovernmental policy guidance process as an instrument for fostering system-wide coherence of UN operational activities for development. This reform of the policy guidance process would constitute strengthening of the legislative role of ECOSOC.

49. The policy guidance process could also be improved if the funds and programmes systematically prepared action plans to implement the outcome of the GA comprehensive policy review of operational activities for development (as e.g. UNICEF did in follow-up to 2007 TCPR). The reports of funds and programmes to ECOSOC could subsequently include qualitative assessment of progress and challenges in realizing the GA guidance together with recommendations to further improve the implementation of the review.

50. In addition, the GA also develops policy guidance in a range of substantive areas, including relating to the follow-up to the outcomes of major UN conferences and summits. ECOSOC could systematically transform relevant aspects of this legislation into actionable guidelines for the operational activities of funds and programmes.

---

statistical analysis of operational activities for development of the UN system, to provide appropriate online access to this information and to report to ECOSOC in 2009 on progress in this regard.

Recommendation 3: Furthering normative-operational linkages in work of UN system

51. At the global-level, the role of ECOSOC in coordinating and monitoring UN system development objectives and priorities could be further enhanced by the development of UN-wide framework for integrated and coordinated follow-up to major UN conferences and summits. The building blocs of such UN-wide framework would be nationally-owned UNDAFs and common country programmes, but also commitments made by Member States at the global, regional and sub-regional levels, including in the area of norms and standards. The objective would be to enable ECOSOC to have an improved strategic overview of the work of the UN system for development, including normative-operational linkages. The UN-wide framework could be developed in partnership of the HLCP/CEB and UNDG/CEB, with technical support provided by UNDESA.

Recommendation 4: Fostering coherent intergovernmental decision-making

52. It is recommended that special efforts be made to improve coherence in decision-making across the intergovernmental governance system. Enhanced policy coherence in different parts of the governance system should begin in the capitals of Member States, as recommendations on strengthened coordination at the level of the GA and ECOSOC can be undermined by contradictory policies pursued by representatives in the governing bodies of individual UN organizations/entities.

53. There is also special role for the national focal points for UN development cooperation at the country-level, firstly, in enriching the policy discussions at the global-level, and, secondly, in bringing a nationally coherent picture in the various governance structures. Similarly, the ministries of development cooperation need to help promote a coherent donor perspective.

Coordination

Recommendation 5: Furthering nationally-owned common country programming

54. The past five to ten years have seen far-reaching changes to UN operational activities for development (see background section). Strengthened coordination and coherence of the work of the UN system for development has largely been brought about by deepened programmatic cooperation and the adoption of common approaches among UN organizations. It is recommended that Member States endorse further strengthening of nationally-owned and coordinated programming processes at the country-level.

55. Over the next three years, 90 countries will roll out UNDAFs. This constitutes an important opportunity for governments in programme countries to voluntarily adopt a common approach to the programming of the work of the UN system for development at the country-level. The adoption of such approach would anchor enhanced system-wide coherence in national ownership and leadership of UN operational activities for development at the country-level.

56. National governments have the lead role in coordinating all types of external development assistance and assuring that it is aligned with their national goals and strategies. This broader

coherence, involving all relevant development cooperation actors, is an important complement to enhanced UN-wide coordination at the country-level. There continues to be dire need for enhanced support to governments in effectively exercising these coordination responsibilities, not only vis-à-vis the UN system, but also across the donor community. The 2007 TCPR recommended that the UN system provide such support.

57. ECOSOC could add value to the common country programming process by providing guidance on major issues, as well as serving as venue for review of global trends and country-level experiences. This role would fit well with the Council's new functions, the biennial DCF and AMR. In addition, ECOSOC could provide valuable support to nationally-owned common country programming processes by undertaking periodic global analysis of the UNDAF experience.

Recommendation 6: Revitalizing coordination role of Operational Activities Segment

58. Earlier it was recommended that the guidance role of ECOSOC of UN operational activities for development be strengthened through reform of the legislative process, including sharper clarification of the roles and responsibilities of the GA and the Council.

59. It is also recommended that the Council consider the possibility of merging the Operational Activities Segment and the Coordination Segment. It is furthermore recommended that the joint meetings of the Executive Boards of UN funds and programmes be held during the Operational Activities Segment. Brought together, these measures would be expected to contribute to significant strengthening of the coordination role of ECOSOC.

60. The participation of national focal points for UN development cooperation from both donor and programme countries is also critical for the effectiveness of the Operational Activities Segment. Their participation would enrich the quality of discussions in the segment.

61. The implementation of the above recommendations would imply a longer Operational Activities Segment. However, there would be no legislative change required as current provisions allow for a four-to-five day Operational Activities Segment, as against the current practice of limiting the duration of the segment to three days.

62. It is also recommended for consideration of Member States that technical preparations for the Operational Activities Segment be stepped-up by creating an advisory group composed of national focal points from ECOSOC member countries and responsible for UN operational activities for development at the country-level. An important objective by the establishment of such a group would be to imbue deliberations in the Council with the perspectives of national focal points dealing with UN development cooperation at the country-level.

63. Key tasks of the proposed advisory group could include the following;

- Help in the preparation of ECOSOC follow-up legislation to the GA resolution on the quadrennial comprehensive policy review of UN operational activities for development

with a view to facilitating informed deliberations and negotiations among Member States during the Operational Activities Segment;

- ❖ Review Secretariat reports, including policy recommendations, prepared for the Operational Activities Segment, with a view to helping the Council make decisions relevant at the country-level;
- ❖ Review reports by governing bodies of funds, programmes and specialized agencies to ECOSOC on progress in implementing GA policy guidance;[18]
- ❖ Assist the Council in annual monitoring of GA and ECOSOC guidance;
- ❖ Advise ECOSOC on strategic issues to enhance system-wide efficiency, effectiveness and coherence of UN operational activities for development;
- ❖ Provide policy advice to ECOSOC, upon request, based on findings of strategic reviews and evaluation reports.

64. ECOSOC would decide on the terms of reference, composition, working methods and reporting of the proposed group. For illustrative purposes, it could be envisaged that the advisory group be composed of approximately 15 members of ECOSOC selected on the basis of the principle of equitable geographic representation, nominated by governments, particularly officials in charge, or serving as focal points for UN operational activities for development at the country-level. Consideration could be given to creating linkages with civil society and the private sector in the work of the group. It is envisaged that the advisory group would meet shortly after the adoption of the GA legislation on the quadrennial comprehensive policy review with a view of preparing a draft ECOSOC follow-up legislation on relevant operational aspects to facilitate negotiations among Member States during the Operational Activities Segment. In other years, the advisory group could meet for one week just prior to the start of the Operational Activities Segment in July, with some of the preparatory work undertaken in advance electronically.

65. The work of group would enable the Council to build on the substantive work of the funds, programmes and specialized agencies. It should not add new administrative burden on those entities. The primary role of the group would be to further enhance the effectiveness and impact of decision-making in the Operational Activities Segment. Crucial to the success of the group would be the nominations by Member States of national focal points for UN development cooperation at the country-level to ensure that intergovernmental decision-making is informed by the best available knowledge and expertise.

[18] In this connection, it must be recalled that the relationship of ECOSOC with the Executive Boards of the funds and programmes is more established with the reports of these bodies formally considered by the Council, while the relationship of ECOSOC with the governing bodies of the specialized agencies is one step removed for reasons discussed earlier in this report.

Recommendation 7: Advancing coordinated implementation of global development agenda

66. It is recommended that Member States adopt a more strategic and integrated approach to the programming of the substantive session of ECOSOC. This approach could also include further simplification and/or streamlining of the way in which ECOSOC conducts its business.

67. The High-level Segment of ECOSOC should be further strengthened by focusing the outcome in order to attract high-level national policy-makers. The outcome of the HLS, for example, should exert influence in terms of setting priorities for intergovernmental cooperation and in shaping the direction of the work of the UN system for development. In addition, the outcome of the HLS should lead to concrete follow-up action by the UN system.

68. The Coordination Segment and the Operational Activities Segment have not yet been effective in providing operational guidance to the UN system on an annual basis. In addition, the agenda of the General Segment has over time become overloaded due to large number of reports of subsidiary bodies submitted to the Council for review. These deficits in the functioning of three key segments of the substantive session of ECOSOC have weakened the coordination and monitoring role of the Council.

69. As a way of addressing this, it is proposed that Member States consider streamlining the agenda of the substantive session of ECOSOC, particularly in the General Segment, combined with merging the Operational Activities Segment and the Coordination Segment. A more integrated and focused approach to the planning and programming of the two segments could facilitate enhanced coordination and monitoring by the Council of the implementation of the global development agenda, including the MDGs. Another objective would be to improve the quality of deliberations and decision-making in ECOSOC, and raise the level of participation, in the different segments of the substantive session.

70. The subsidiary machinery of ECOSOC adopts operationally relevant recommendations which need to be incorporated more systematically in operational activities of the UN system for development (48/162). A dedicated report to ECOSOC could bring together such decisions to the Council, as part of efforts to enhance system-wide coherence. In addition, the functional and regional commissions need to contribute more strongly to the theme of the AMR. Thus enhanced dialogue both at the regional-level and with the functional commissions could greatly contribute to improved coherence.

71. There is also potential for significant synergy in the planning and programming of the Operational Activities Segment, Coordination Segment, AMR and DCF. Harnessing this synergy could further buttress the coordination and monitoring role of ECOSOC of the implementation of the global development agenda. The Council's work on operational activities could draw from the findings of the AMR as forum for global and thematic review of progress in the implementation of the UN development agenda; the current role of the Coordination Segment in promoting integrated and coordinated follow-up within the UN system to the outcomes of major UN conferences and summits could be significantly enhanced; the DCF could provide analysis of the

normative-operational linkages in the work of the UN system; and the Operational Activities Segment could thoroughly review the coherence, efficiency and effectiveness of UN operational activities for development.

72. The proposed strategic and integrated approach to the programming of the substantive session should be underpinned by cutting-edge analysis of trends and progress in realizing the IADGs, including the MDGs. In this process, ECOSOC should establish enhanced cooperation with specialized agencies of the UN system in full conformity with Article 63 of the Charter. Special efforts should be made to ensure that adequate mechanisms and capacities are set in place to ensure that the preparations of substantive segments and meetings, such as those of the AMR and the DCF, are undertaken in full consultation with concerned specialized agencies, funds and programmes, and the Regional Commissions, with the aim of providing the best and most up-to-date analysis and advice to ECOSOC members, while respecting the mandates and governance of these organizations.

73. Brought together, this coordinated approach could help transform the Council into a dynamic forum for strategic and focused policy discussions on major UN operational issues, with the participation of both national policy-makers and Chief Executives of UN entities. An integrated approach could also facilitate dialogue with a wider range of development actors, including BWIs, civil society, private sector etc. The proposed approach would be expected to contribute to the following objectives:

- Promote greater focus on normative-operational linkages in the work of the UN system for development, inter alia, through more in-depth review of the implementation of the Ministerial Declaration of the High-level Segment of the previous year;
- Foster dialogue on regional support to normative functions and operations at country-level, involving Regional Commissions and Regional Director Teams;
- Facilitate dialogue with UN funds, programmes and specialized agencies on country experiences, particularly joint operational activities;
- Enhance dialogue with functional commissions and other relevant development partners with respect to the theme of the AMR and the Ministerial Declaration.

Recommendation 8: Harmonizing support of regional coordination mechanisms to common country programming

74. It is recommended that renewed efforts be made within the UN system to enhance complementarity between the policy and programming support of Regional Coordination Mechanisms, led by Regional Commissions, and the operational support of Regional Directors' Teams (RDTs), to nationally-owned and coordinated common policy and programming processes at the country-level.

Recommendation 9: Improving coordination with the BWIs

75. The 2007 comprehensive policy review of the GA invited the UN system and the BWIs to explore further ways to enhance cooperation, collaboration and coordination, including through greater harmonization of strategic frameworks, instruments, modalities and partnership arrangements, while encouraging these institutions to improve coordination with regard to the transition from relief to development in order to deliver more effective support and lower transaction costs for such countries. The 2006 High-level Panel on UN System-wide Coherence also recommended that as a matter of urgency, the UN Secretary-General, the President of the World Bank and the Managing Director of the IMF should set-up a process to review, update and conclude formal agreements on their respective roles and relations at the global and national-level. The High-level Panel, furthermore, recommended that such reviews be periodically updated as well as assessed.

76. The existing relationship agreements between the UN and the BWIs are not fully implemented and the guidance of the GA and ECOSOC has so far had limited impact on the work of the BWIs, although some advances have been made in policy dialogue between these institutions in the follow-up to the 2002 Monterrey Conference on Financing for Development and through special initiatives such as the High-level Task Force on Food Security and the MDG Africa Steering Group. It is recommended that the UN system and the BWIs at the highest-level agree on ways to significantly enhance coordination between the two institutions at all levels.

Accountability

Recommendation 10: Strengthening system-wide performance review and evaluation

77. As a follow-up to the 2007 GA comprehensive policy review, HLCM/CEB and HLCP/CEB have considered a proposal from UNEG to create an independent system-wide evaluation unit that would complement the efforts of UNEG to harmonize and systematize evaluation norms, standards, policies and approaches within the UN system and enhance the quality of the evaluation function in UN organizations/entities. The objective of the proposed independent evaluation unit would be to promote transparency, accountability and learning within the UN system as a whole, with an emphasis on system-wide effectiveness in promoting the implementation of the IADGs, including the MDGs, and provide relevant reporting to intergovernmental bodies on UN performance. It is recommended that Member States establish such independent system-wide performance evaluation mechanism of UN operational activities for development. Furthermore, the GA may wish to make greater use of existing oversight structures such as the Joint Inspection Unit (JIU), in supporting the comprehensive policy review process. In addition, it is recommended that the GA consider further strengthening of the evaluation function across the UN system.

78. There is also need to improve accountability of the UN system to Member States through more strategic use of reporting, with a view of facilitating evidence-based decision-making by intergovernmental bodies. ECOSOC, through periodic review, could, for example, help ensure that reporting of UN operational activities for development is complementary rather than duplicative

and focused on the kind of issues that provides value to the intergovernmental debate. The Council could also draw the attention of relevant bodies and actors to information in certain reports – information that is of global and strategic relevance for intergovernmental decision-making.

F. Conclusion

79. The identification of gaps and weaknesses in the current governance structure and the start of an iterative process to address these is the key to forging consensus on a long-term solution to enhance system-wide coherence of UN operational activities for development. The ten recommendations suggested above along with the related proposals to strengthen the funding architecture of UN operational activities for development, represent significant measures to further improve the coherence of the work of the UN system for development. An important objective of these proposals is to contribute to more informed decision-making at the intergovernmental-level through the provision of better and more timely data and information, enriched by the participation of key actors at the country-level in deliberations on operational activities. The key measure of success will be defined by the impact of these measures in making operational activities truly demand-driven and resulting in visible and tangible changes in development outcomes.

THE DEPUTY SECRETARY-GENERAL

23 July 2008

Dear Mr. President,

In response to your letter to the Secretary-General dated 19 June 2008 on the issue of System-wide coherence and the United Nations' work on Gender Equality and the Empowerment of Women, I have the honor to submit to your attention the attached document setting out the institutional options for strengthening the United Nations work in this critical area.

The document aims to address Member States' concerns raised during the intergovernmental consultations carried out by your two Co-chairs, Ambassador Mahiga, Permanent Representative of the United Republic of Tanzania and Ambassador Kavanagh, Permanent Representative of Ireland. It also builds upon the Secretariat's earlier contributions to the General Assembly, by briefly outlining the gaps and challenges acknowledged by Member States and the United Nations system alike.

In addition to the current institutional arrangement, the document contains three non-prescriptive options, which could facilitate Members States' consultations on enhancing the United Nations' performance on gender equality and the empowerment of women.

I wish to take this opportunity to once again convey to you, Mr. President, my sincere appreciation for your leadership, and through you, to your two Co-chairs for their commitment and skilful conduct of the intergovernmental consultations on System-wide Coherence, which remains an essential aspect of the overall reform of the United Nations.

Please accept, Mr. President, the assurances of my highest consideration.

Asha-Rose Migiro

His Excellency
Mr. Srgjan Kerim
President of the General Assembly
New York

23 July 2008

Institutional Options to Strengthen United Nations Work on Gender Equality and the Empowerment of Women

A. Introduction

1. The strengthening of the work of the United Nations on gender equality and empowerment of women has been the subject of informal consultations among Member States held on 16 May and 16 June 2008. Having discussed substantive and programmatic aspects of UN support to countries set forth in the related Note of the Secretary-General dated 5 June 2008, Member States agreed that the key gaps and challenges faced by the UN system in its work on gender equality and the empowerment of women should be effectively addressed. Member States agreed that the primary goal of this process should be to strengthen the assistance the UN system gives to Member States towards achieving gender equality and women's empowerment at the national level.

2. By a letter dated 19 June 2008, the President of the General Assembly requested the Secretary-General to submit a document setting out the institutional options to strengthen the United Nation's work on Gender Equality and the Empowerment of Women.

B. Background

3. Member States acknowledge that gender equality and women's empowerment are central to achieving development through internationally agreed development goals, including the Millennium Development Goals, as well as peace and security. There has been noticeable progress made by Member States in translating international commitments into national strategies, policies and legislation, and 185 States are party to the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW).

4. Concurrently, there is also significant consensus that implementation of policies, strategies and plans are not keeping pace with commitments. As a result, gender inequalities still persist in both developing and developed countries. Women around the world continue to disproportionately bear the burden of poverty, to be subjected to gender-based violence and to bear the brunt of the HIV/AIDS pandemic. They also continue to have limited access to credit, land and new technologies, have fewer educational and employment opportunities than men, and remain marginalized in decision-making. Consequently, the ability of half of the world's population to contribute to and benefit from peace and development, and to fully enjoy their human rights, is undermined.

5. National Governments have the primary responsibility for achieving gender equality goals in line with their national strategies. At the grass-roots level, NGOs and civil society play an important role in promoting national implementation. The UN system supports Member States to advance gender equality, including through country gender-specific programmes, as such all UN entities are actively involved in promoting gender equality and women's empowerment. Inter-agency cooperation has also increased.

6. However, the UN system faces multiple challenges and gaps in its support to Member States as has been articulated by Member States and the UN system alike. Both acknowledged that the following gaps and weaknesses presented challenges to the effective support of national efforts toward gender equality and empowerment of women[1]:

(a) coordination and coherence (weak linkages between intergovernmental decision and policy making and implementation on the ground, lack of a coherent and system-wide approach and a fragmented intergovernmental policy making);
(b) authority and positioning (lack of a recognized driver to direct, support and strengthen accountability of the UN system for delivering results on the ground, and through systematic participation in the UN's high-level decision making at the global, regional and country level);
(c) accountability (inconsistent and inadequate political will and support for gender equality from senior management, lack of system-wide standards and no consequences for non-performance);
(d) resources (inadequate and unpredictable human and financial resources for gender equality, and limited ability of UN agencies or United Nations Country Teams (UNCTs) to track their own resource allocations and expenditures at the country level);
(e) inadequate country-level support (lack of adequate support for gender analysis, low levels of integration of gender perspectives in Common Country Assessments/United Nations Development Assistance Frameworks (CCAs/UNDAFs), weak capacity and poor positioning of gender focal points; insufficient accountability and leadership for gender equality of Resident Coordinators and UNCTs, inadequate cooperative arrangements with sectoral entities at the country level);
(f) insufficient emphasis on country-driven demands and ownership.

7. The UN system needs to be strengthened in order to overcome these challenges and close the gaps. To achieve sufficient implementation of commitments on the ground, a strengthened institutional arrangement should perform the following functions:[2]

(a) lead innovative and catalytic country-driven programming, gender mainstreaming and capacity-building, and provide targeted technical cooperation and capacity-building in line with national strategies;

(b) provide substantive support to UN bodies (Commission on the Status of Women (CSW), Economic and Social Council (ECOSOC), General Assembly and Security Council) where commitments, norms, and policy recommendations on gender equality and gender mainstreaming are discussed and agreed upon;

(c) building on comparative advantage of UN actors, lead and coordinate the system's strategies, policies and actions on gender equality and women's empowerment, and promote effective system-wide gender mainstreaming;

[1] As reflected in the Secretary-General's Note on the United Nations System Support to Member States on Gender Equality and Women's Empowerment, 5 June 2008
[2] Based on the Concept Paper on a Strengthened Architecture for Gender Equality and Empowerment of Women, August 2007

(d) ensure accountability of the UN system, including through oversight, monitoring and reporting of system-wide performance;

(e) undertake global, regional and national advocacy efforts on issues critical to gender equality and women's empowerment to ensure that emerging, under-recognized and under-resourced issues receive national, regional and global attention;

(f) undertake new and consolidate existing research and analytical work, to support overall objectives, including acting as a clearing house for knowledge and experience on gender equality and empowerment of women from all parts of the UN system;

(g) monitor the implementation of the 12 critical areas of the Beijing Platform for Action, the Outcome Document of the 23rd Special Session of the General Assembly, and Security Council resolution 1325 (2000);

(h) monitor and report on system-wide compliance with intergovernmental mandates on gender balance including at senior/decision-making levels.

8. In addition, it is important that any new arrangement maintains and strengthens the existing close collaboration and synergies between Member States, the UN system and civil society in the pursuit of gender equality and women's empowerment.

C. Current Intergovernmental and Institutional Arrangements

(a). *Current intergovernmental processes*

9. The General Assembly, ECOSOC and CSW, in accordance with their respective mandates, constitute a three-tiered intergovernmental mechanism with the primary role in policymaking on gender equality and follow-up to the Beijing Declaration and Platform for Action.

10. The Third Committee of the General Assembly has two agenda items devoted specifically to gender equality and advancement of women, and the Second Committee of the General Assembly addresses issues concerning women in development on a biannual basis. Since 1997, ECOSOC and its functional commissions have paid great attention to gender mainstreaming in follow-up to its agreed conclusions 1997/2.[3] CSW plays a central role in monitoring the implementation of the Beijing Platform for Action and in promoting gender mainstreaming at the national level and within the United Nations system. Since 2000, the Security Council has held annual debates on women, peace and security, including on the overall implementation of its resolution 1325 (2000), and on violence against women in situations of armed conflict. At its open thematic debate of 19 June 2008, the Security Council adopted resolution 1820 (2008) on rape and other forms of sexual violence in armed conflict.

---

[3] *Official Records of the General Assembly, Fifty-second Session; Supplement No. 3* (A/52/3/Rev.1), chap. IV, para. 4.

11. Intergovernmental bodies for the Funds, Programmes and Specialized Agencies also play a role in decision-making on implementation of policies on gender equality and women's empowerment within their respective mandates.

(b) *Current gender institutional arrangements*

(i) Office of the Special Adviser on Gender Issues and Advancement of Women (OSAGI)

12. This Office advises the Secretary-General on and advocates for gender equality within the United Nations and gender mainstreaming in the work of the entire Organization. It also has responsibility for the coordination of policy within the United Nations system, coordination of issues related to the nexus of women, peace and security, and monitoring of actions for the achievement of gender balance within the United Nations system.

(ii) Division for the Advancement of Women (DAW)

13. The Division provides substantive servicing to CSW, ECOSOC and the Third Committee of the General Assembly and support for the implementation of the Beijing Platform for Action.

(iii) United Nations Development Fund for Women (UNIFEM)

14. UNIFEM supports innovative activities benefiting women in line with national and regional priorities, promotes women's involvement in mainstream development; and plays an innovative and catalytic role in this regard.

(iv) International Research and Training Institute for the Advancement of Women (INSTRAW)

15. The objectives of INSTRAW are to assist, through research, training and collection of information, the advancement of women and their integration in the development process both as participants and beneficiaries.

(v) Gender units and focal points/experts in United Nations entities

16. Specialized agencies and other entities of the United Nations system work on specific actions within their respective mandates by aligning priorities and directing resources to meet the global priorities of the Beijing Platform for Action. Other international institutions and organizations, including the Bretton Woods institutions, work to ensure that investments and programmes benefit women and contribute to sustainable development. Most organizations have gender units and many have networks of gender focal points, though all of these vary in size and staffing.

17. Gender units have been set up in some of the peacekeeping missions to facilitate the integration of gender perspectives into the work of United Nations peace support missions, advise mission leadership on gender issues and maintain liaison with women's organizations and national machineries for women. Regional Commissions have established similar divisions, units, or focal points to support Member States in addressing gender equality issues from the regional and sub-regional perspectives.

(vi) UNCTs and Gender Theme Groups

18. UNCTs led by the Resident Coordinators, and a growing number of UN inter-agency Gender Theme Groups – often led by gender experts from the funds and programmes or from specialized agencies -- provide support to host country governments as they seek to integrate gender perspectives into their policies, programmes, legislation, budgets and data-collection mechanisms through such instruments as the Common Country Assessment (CCA), United Nations Development Assistance Framework (UNDAF), Poverty Reduction Strategy Papers (PRSPs), and the Consolidated Appeal process. In an increasing number of countries, Gender Theme Groups promote the importance of achieving gender equality through advocacy, technical support, capacity-building, and community interventions.

(vii) Inter-agency mechanisms

19. Coordinating mechanisms for policy and programme include the Inter-agency Network on Women and Gender Equality (IANWGE), UNDG Task Team on Gender Equality, and other coordination mechanisms at the global, regional and national levels. The Chief Executives Board for Coordination (CEB) and its High-level Committees on Programme, Management and the Development Group (HLCP, HLCM and UNDG), also play an increasingly important role in inter-agency coordination of gender-related policies at the level of Heads of UN entities.

D. Institutional Options

20. In dealing with institutional arrangements for gender equality within the UN system, there are two approaches: (i) maintain the system as it is currently and (ii) strengthen the existing institutional arrangements through consolidation of OSAGI, DAW, UNIFEM and INSTRAW. The second approach would entail establishing an entity along one of the following three possible organizational options: (a) a single autonomous fund/programme, (b) a department of the Secretariat, or (c) a composite entity.

21. The major similarities among the three options for consolidation are the following:

- Leadership would be at the level of Under-Secretary-General and the Secretary-General would continue to hold Executive Heads of UN entities accountable for incorporating gender equality and women's empowerment into their programmes of work;
- Authority for gender mainstreaming programmes and budgets would reside with the Executive Heads;
- Policy coherence and coordination would be achieved through the inter-agency coordination machinery for all options. At the country level however, this would be achieved through participation in the UNCTs, where these exist, under the Resident Coordinator system;
- Increased resources to adequately support gender equality work at both the country and regional levels would be required;
- Country level presence would be achieved.

22. The major differences among the three options requiring consolidation are:

- Governance would be different. The autonomous fund/programme would have an Executive Board while the Department would report, through the Secretary-General, to CSW, ECOSOC, the General Assembly and the Security Council. The "composite" would have a new governing body for policy and programmes. This body would report to either ECOSOC, or the General Assembly and to the Security Council on women, peace and security.
- Interface between operational and normative dimensions: the fund/programme would not fulfill the Charter requirement of provision of substantive servicing of ECOSOC and other Organs, but the fund\programme, the department and the "composite" would provide for interface between normative and operational work.
- The autonomous fund/programme would be financed solely from voluntary contribution; the department would be mostly funded through assessed contributions, and the "composite" would require a combination of voluntary and assessed contributions.
- The department would have a country level presence through advisers, while the fund/programme and the "composite" would also have country representatives stationed at the UNCT offices, or working with any other UN structure or with national women's machineries where there are no UN structures.

23. Below is a comparative analysis of each of the four options and their implications for the strengthening of the UN system with regard to gender equality and women empowerment.

Option A – Status quo

24. This option would not entail any structural changes in the current institutional arrangements detailed in paragraphs 12–19. If the Member States significantly increased contributions to the four entities and greater collaboration within the UN system was achieved, this could strengthen support for gender equality and women's empowerment. It could also increase the capacity of the four women-specific entities to more strategically leverage their complementary functions through joint actions and cost-sharing arrangements, where possible.

For instance, by building on the model established by the International Fund for Agricultural Development, the World Food Programme and United Nations Food and Agricultural Organization, in the "Working Together" programme, the four entities could better drive coordinated action, comprehensive information dissemination, and link the normative and operational work. The current institutional arrangements would also benefit from on-going reforms under the system-wide coherence. However, the gaps, challenges and weaknesses set out in paragraph 6 above would remain.

Option B – Autonomous Fund/Programme

25. This option would involve the establishment of an autonomous fund/programme that would consolidate the entities described in paragraphs 12 – 15 into a single entity, and perform the functions set out in paragraph 7.

26. **Governance.** The fund/programme would report to an Executive Board and ECOSOC. The Executive Head of the fund/programme would report to the Secretary-General and would be at the Under-Secretary-General level. The Executive Head would be the spokesperson and voice of the UN system on gender issues. This option would provide central **leadership and authority** for gender equality and women's empowerment as a thematic priority in the UN system through a governing body that would focus on the implementation of the mandates and resolutions on gender equality and women's empowerment.

27. **Country-level Presence and Impact.** The autonomous fund/programme would deploy Representatives to countries with the agreement of the government and with sufficient authority to formulate and implement programmes, provide guidance to the UNCT and advise the Resident Coordinator. Coordination with other UN entities would work through the Resident Coordinator system. The fund/programme representative would be a full member of the UNCT and would have the authority to speak on gender equality and women's empowerment at the country level. In countries where there is no UN presence; the fund/programme would work with national women's machineries. As an autonomous fund/programme, with a focus on catalytic programming to support Member States to manage national strategies for gender equality and women's empowerment, the fund/programme would need to have systems that permit sufficient operational flexibility within the UN Financial Rules and Regulations to function effectively at the country level. This option would directly impact on country-level activities with a mix of international and locally hired expertise and would strengthen the collaboration with other UN entities at the country level.

28. **Inter-Agency Coordination on Policy and Programme.** The Head of the autonomous fund/programme would be a full member of the CEB and its committees, including UNDG, and would chair IANGWE. Participation at this policy level would enable the head of the fund/programme to influence decision-making of other Executive Heads and to act as **a strong driver** for gender equality and gender mainstreaming.

29. **Funding.** This model would be fully funded from voluntary contributions.

30. **Analysis.** This option would deliver innovative and catalytic country-driven programmes, provide targeted technical assistance and capacity-building. It offers the opportunity for

coordination with other UN entities through the CEB and IANWGE at the policy level and through the Resident Coordinator system at the country level. In both forums, the fund/programme would participate equally with other agency heads/representatives. As a fund/programme, this entity would need to have a strong resource mobilization function to support its activities at Headquarters and in the field. The potential exists for the fund/programme to broaden its resource base and increase the voluntary contributions significantly. At the same time, dependency on voluntary contributions might drive programme priorities, particularly if some funding would be earmarked. The unpredictable nature of voluntary funding might impact on the effective delivery of support to countries. This fund/programme would not provide substantive servicing to CSW, ECOSOC and the General Assembly as required by Article 101 (2) of the Charter.[4] However, those aspects of the normative work that involve servicing and support to CSW, ECOSOC and the General Assembly would remain the responsibility of the UN Secretariat in accordance with the UN Charter. This would sustain the existing gap between intergovernmental policy and operational activities.

Option C – Department

31. In this option, a Department would be established within the UN Secretariat to perform all the functions that are required under paragraph 7.

32. **Governance.** The Department would be headed by an Under-Secretary-General and would report to the Secretary-General. The relationship between the Department and the intergovernmental bodies, including the CSW would not change.

33. **Country-level presence and impact.** The Department would have some presence at the country level as is normally done by UN Departments through the deployment of advisers to implement technical assistance programmes in some countries. In this case, the Department would assign Gender Advisers at a senior level to work with governments. However, this Department would probably not have sufficient operational capacity to respond to the growing demands of many countries.

34. **Inter-Agency Coordination.** Coordination would take place through the Chief Executives Board and its subsidiary bodies. While the Head of Department would not be a member of CEB, he/she would participate as a member of the UN Team. The Head of Department would chair IANWGE and would also participate in the UNDG.

35. **Funding.** The work of the Department would be mostly funded through assessed contributions as approved by the General Assembly. The Department would receive extra-budgetary funding through voluntary contributions for its work at the country level.

36. **Analysis.** This model would alter the governance structure of the UN gender specific operational work and replace it with the existing governance structures of UN gender specific

[4] Article 101 (2) – Appropriate staffs shall be permanently assigned to the Economic and Social Council, the Trusteeship Council, and, as required to other organs of the United Nations. These staffs shall form a part of the Secretariat.

normative support through which the Department would be the primary initiator of policy guidance to the UN system on gender equality and women's empowerment. It would be an effective channel through which information on intergovernmental decisions and recommendations would flow to other entities. By consolidating the four women-specific entities into a Department, coordination and coherence would be improved and gender equality work would become more visible.

37. With an established country presence, the Department could also link the normative work with implementation on the ground. However, it would not have the operational effectiveness and administrative flexibility to attract large amounts of extra-budgetary funds required to coordinate large multi-sectoral country-level programmes. The advisors fielded to countries for technical support would most likely have no or a limited voice in UN Country Teams and lack of the influence of the ExComm or specialized agencies.

38. Under this option **authority and leadership** for gender equality and women's empowerment would remain vested in the Secretary-General, who would hold Executive Heads accountable.

39. This option would have implications for in the regular budget of the UN Secretariat in order to support all the functions that would be brought together into the Departmental structure.

Option D – "Composite" Entity

40. This would entail combining normative and operational work on gender equality and women's empowerment. The entity would be based on a governance arrangement that strengthen links between normative and operational policies. At the operational level, the "composite entity" would have a structure that would be characterized by close coordination between UN agencies in planning and implementation of country-driven activities. At present this type of structure does not exist in any single UN entity that was reviewed as part of this exercise.

41. **Governance.** Under this option, the Executive Head, who would be at the Under-Secretary-General level, would report to an intergovernmental governing body which would combine policy and programme responsibilities and report either to ECOSOC or the General Assembly. The "composite" would be the policy driver for the UN system for gender equality and women's empowerment. The Executive Head would have delegated authority for financial and administrative matters from the UN Secretary-General in order to give the entity the ability to act with some flexibility especially in its activities at the country level.

42. **Country-level presence and impact.** The entity would provide support to Member States in cooperation with other UN entities and in line with national strategies for gender equality. Operational capacity would be established to enhance country ownership. The entity would work in collaboration with the Resident Coordinator and with women's national machineries where there would be no UN presence. However, the form of country presence would differ in accordance with the needs of countries. This could include country or regional representation and a mix of international and locally hired expertise.

43. **Inter-agency Coordination**. Inter-agency coordination mechanisms in this option would not differ from those described for the autonomous fund/programme and the department.

44. **Funding**. The "composite" would be funded from the regular budget of the UN Secretariat for its normative work; and through voluntary contributions for operational activities. Enhanced fund-raising capacity would be required to establish and maintain the fund. Under this option, a Fund for the purpose of supporting the country-driven demands of Member States directly or through UN entities would be established.

45. **Analysis**. This option would provide a coherent governance structure combining policy and implementation work on gender equality and women's empowerment. The positioning of the Executive Head of this entity would provide leadership and advocacy at the global level for the issues related to gender equality and women's empowerment. However, this option would not replace the authority of the Secretary-General to hold Executive Heads accountable for gender mainstreaming. This option could enhance policy coordination and coherence through existing and strengthened mechanisms. At the country level, the ability to lead innovative and catalytic country-driven programming and engage in joint programming with other entities, could also encourage greater coherence and coordination. The link between policy and operational activities would be strengthened as the entity would have responsibility for normative work through its governing body and for operational activities. It would, therefore,
be able to translate intergovernmental decisions and recommendations into operational activities in conjunction with other UN entities at the country level and through decisions taken at the CEB.

46. Reliance on voluntary funding would require a strong resource mobilization function to ensure predictable and sustainable support to Member States. This option would entail changes in governance.

E. Conclusions

47. The growing demands of Member States for technical advice and assistance to respond to new and emerging issues that affect both men and women in developed and developing countries have led to the need to examine how the UN system can improve the way it delivers support. In order to provide more effective and relevant responses to these demands the UN system should be able to better link its normative and operational work, enhance the quality of technical expertise deployed to countries, and increase access to the vast knowledge and information resources of the UN system. A strong UN system that is prompt to respond effectively and efficiently, and in a co-coordinated, coherent and flexible way is vital.

48. This vision promises to bring about new institutional arrangements for gender equality and women's empowerment that deliver implementation at the country level. These organizational arrangements could serve to stimulate the momentum towards the attainment of these goals. A strong commitment to improving the UN's capacity for gender equality and women's empowerment should be accompanied by decisive action.

49. Building upon the extensive intergovernmental consultations initiated by the President of the General Assembly assisted by his two able Co-chairs, Ambassador Augustine Mahiga, Permanent Representative of the United Republic of Tanzania and Ambassador Paul Kavanagh, Permanent Representative of Ireland, Member States may wish to consider the options outlined above with a view to improving the current United Nations gender institutional arrangements. Decisive action by Member States will be critical to achieving progress in gender equality and women's empowerment.

5 June 2008

Note on the United Nations System Support to Member States on Gender Equality and Women's Empowerment

I. Introduction

This note responds to the President of the General Assembly's letter dated 20 May 2008 to the Secretary-General requesting a note on the substantive and programmatic aspects of the work of the UN system on Gender Equality and the Empowerment of Women, following the intergovernmental consultations on system-wide coherence held by the General Assembly on 16 May 2008. The purpose of this Note is to assist Member States in their deliberations on strengthening the UN system's work on gender equality and women's empowerment in the context of their review of UN system-wide coherence. It highlights the increasing demand on the system for support to countries to advance the implementation of their commitments to gender equality and women's empowerment and briefly outlines the achievements, gaps and challenges.

II. Background

Gender equality and empowerment of women are integral to the UN's mission and critical to the achievement of its objectives in development, peace and security and human rights. The Millennium Declaration and the outcome of the 2005 World Summit reaffirm this. There is increasing evidence that gender equality and the empowerment of women are central to meeting all internationally agreed development goals, including the Millennium Development Goals (MDGs).

The responsibility for achieving gender equality and the empowerment of women lies with Member States, including both developed and developing countries. Member States have made notable progress in improving their policy and institutional frameworks for gender equality, in line with global commitments. Nearly every country in the world has a national machinery for women or gender equality; more than 120 countries have national plans of

action on gender equality; numerous countries have amended their constitutions to guarantee women's human rights; laws and policies have been introduced in the majority of countries to eliminate discrimination and violence against women, and 102 countries have introduced positive action to support women's increased participation in national parliaments.

In spite of all these achievements, there remains a serious gap between commitments and their implementation at the national level. While the UN system has made a significant contribution at the normative and policy level, it has not always had the human, technical or financial resources needed to provide adequate support at the national level.

III. The substantive and programmatic work of the UN system on gender equality and the empowerment of women

Mandates

The strong mandates on gender equality derive from the UN Charter, the Beijing Platform for Action, the 2005 World Summit Outcome and outcomes of major UN conferences and summits and their follow-up, ECOSOC Agreed Conclusions 1997/2 calling on all UN entities to mainstream a gender perspective in all their policies and programmes, Security Council Resolution 1325 (2000), the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), as well as specific mandates provided by the governing bodies of the Funds, Programmes and the Specialized Agencies. Most recently, the Triennial Comprehensive Policy Review of operational activities of the United Nations development system (TCPR) (2007) resolution highlighted the importance for the UN system to "take a coherent and coordinated approach in their work on gender-related issues." The Agreed Conclusions of the 52nd Commission on the Status of Women called for more effective gender mainstreaming in the UN system and for to enhancement of "its capacity to effectively assist Member States, upon their request, in implementing their programmes on gender equality and the empowerment of women and, to that end, make adequate and reliable human and financial resources available".

The intergovernmental bodies, including the governing boards, provide oversight of implementation of the mandates on gender equality in countries in all regions of the world. The CEDAW Committee also monitors implementation in all States parties.

All parts of the UN have responsibility to promote gender equality and women's empowerment within their mandates, and ensure that policy outcomes lead to action on the ground. The UN supports gender equality and women's empowerment through its normative and operational work. The Secretariat, the Regional Commissions, Funds and Programmes and Specialized Agencies, UN Country Teams and UN Regional Directors' Teams all undertake activities relevant to their mandates. Four gender-specific entities in the UN play a leadership and catalytic role in UN system-wide efforts: The Office of the Special Adviser to the Secretary-General on Gender Issues and Advancement of Women (OSAGI), the UN Division for the Advancement of Women (DAW); the United Nations Development Fund for Women (UNIFEM); and the International Research and Training Institute for Women (INSTRAW).

Achievements

Since 1995, significant efforts have been made within the UN to strengthen its work on gender equality and women's empowerment and there have been some notable achievements. Most UN entities have in place gender equality policies, strategies and action plans, increasingly with time-bound targets and indicators. Many have established gender expertise at headquarters level, and entities with country presence have gender experts, advisors and focal points. Entities have also developed methodologies and tools to support programming and policy advice on gender equality and gender mainstreaming, although these are not always utilized as systematically and effectively as needed. Since responsibility for gender equality and empowerment of women is the responsibility of all staff and managers, capacity-building has been provided in many entities to develop awareness, knowledge, and skills.

Increasingly, UN entities work together on specific issues to strengthen the effectiveness and impact of their efforts. A number of interagency coordination bodies have been put into place, including notably the Inter-Agency Network on Women and Gender Equality (IANWGE). Joint initiatives and efforts to mainstream gender equality into on-going programmes at the country level have been undertaken.

To strengthen these efforts, in 2006 the CEB endorsed a system-wide policy on gender equality and women's empowerment and a strategy for gender mainstreaming that will serve as standard setting for all UN entities, providing both conceptual and operational guidance and a framework for accountability. In addition, the United Nations Development Group (UNDG) recently approved indicators for UNCTs performance on gender equality, to be used as part of the UN accountability framework at the country level.

Despite all these efforts and achievements, the existing fragmentation among all entities of the UN system and in particular in relation to gender expertise has undermined the UN's capacity to effectively respond to Member States' needs. A number of significant gaps and challenges have been identified.

Gaps and challenges

Long-standing challenges and emerging issues, such as the increased targeting of women in armed conflicts, new forms of violence against women, the gender-differentiated impact of climate change and the food crisis, as well as persistent forms of discrimination in other areas, require increased effectiveness of the UN as a strategic partner to Governments and civil society in supporting their efforts to advance gender equality and women's empowerment.

At the same time, despite significant and innovative efforts made by individual entities, gaps and challenges within the UN, including coordination and coherence, authority and positioning, accountability and human and financial resources continue to hinder the capacity of the UN system to effectively respond to Member States' needs.

Coordination and coherence

Weak linkages between inter-governmental agreements and implementation on the ground have contributed to inadequate coordination and coherence. Lack of channels to provide essential feedback from operational levels on what works and what does not work at the national level is also a constraint. Information on intergovernmental decisions and recommendations should be more broadly disseminated and awareness of the implications of policy/normative outcomes for operational work be raised. Ways to provide more effective feedback from the operational level to inform normative work need to be addressed.

Lack of coordination can also mean that high priority issues are not paid adequate attention. At times, duplication of efforts by different entities has occurred because of a lack of coordination. Even in areas where effective interventions have been made by a large number of entities over many years, for example in the areas of violence against women, the lack of a coherent and sustained system-wide approach has limited the effectiveness of the work of the UN. Lack of coherence in the UN system may also emerge from the diverse and sometimes contradictory types of policy advice of governing bodies of different entities.

Authority and positioning

Most gender equality specialists in the UN system, even at senior levels, function as advisors with very limited policy or operational authority or capacity, especially because of inadequate levels of staff and financial resources. In the context of the gender mainstreaming strategy, gender equality is a mandate for every UN organization; but shared responsibility cannot substitute for recognized authority. Significantly greater effort is required to enhance the authority of gender equality expertise in the UN system. Gender equality expertise, entities and coordination mechanisms are irregularly present in high-level decision-making bodies of the UN, whether within the CEB, the UNAIDS co-sponsors, or at the heads of agency meetings of UN Country Teams. The UN system lacks a recognized driver that can identify and take action in response to critical gender-related issues, provide direction and

support, including in emerging or new areas; and hold the system accountable for delivering results on the ground.

A UNDG review of Common Country Assessment and United Nations Development Assistance Framework highlighted the absence of holistic support by UN Country Teams to national plans of action on gender equality. The absence of a recognized overall authority results in Ministries of Women's Affairs or Gender Equality having to negotiate at country level with multiple counterparts from the UN. In many cases, their most obvious counterparts, the Gender Theme Groups, gender focal points and/or UNIFEM where it is represented at the national level, lack the resources or authority found in other UN entities and coordination mechanisms.

Accountability

In most entities, the political will and support for gender equality from senior management remains inconsistent and inadequate. While there are many excellent gender equality policies and strategies in place across the system, a UNDG review of accountability for gender equality in UN system policies and practices found that there is no system-wide standard and no consequences for non-performance. Few entities have introduced clear performance indicators on gender mainstreaming in annual staff performance appraisals or ensured that job descriptions and work plans include specific references to responsibility for gender equality. As illustrated in reviews of accountability for implementing gender equality policies undertaken by governments and NGO partners, even where good policies or strategies are in place, the human and financial resources and authority needed to ensure robust implementation are frequently lacking.

Resources

Inadequate and unpredictable human and financial resources for gender equality activities are a reality throughout the entire UN system, in particular in the gender-specific entities and units. Too often, increases in human and financial resources for gender equality in

UN organizations are tied to cost-sharing contributions rather than sustainable core commitments. One of the results is reliance at the country level on weak gender focal point systems rather than investment in high-level, specialized and sustainable advisory and technical expertise in gender equality that can respond to demand.

There is increasingly widespread use of gender-responsive budgeting tools, which enhance the potential to track resource allocations and expenditures at the national level. The limited ability of the UN to track its own resource allocations and expenditures on gender equality actions needs, however, to be addressed, to enable improved response to Member States.

IV. Strengthening UN support to Member States

Member States' commitments to gender equality and women's empowerment have become stronger as goals in their own right and as the evidence mounts to demonstrate their crucial importance for the achievement of development and peace. Member States' requests to the UN system for specific technical, human and financial support to transform the global, national and regional norms into concrete programmes and quantifiable progress have increased significantly. The urgent need to respond to pressing yet unmet priorities – such as reducing maternal mortality and the prevalence of HIV/AIDS amongst women and girls in some regions or scaling up responses to violence against women and girls in all countries – fuel this demand. As we approach the mid-term review of the implementation of MDGs, it is critical to address the gap between growing demand by Member States, and the UN's capacity to respond. The existence of policies, expertise and networks within the UN system on gender equality – coupled with the UN's role as a partner of choice for countries in support of gender equality – create a strrong basis upon which to move forward.

Throughout the UN system, experiences have shown that when there is a strong commitment and leadership from top management, and sufficient dedicated human and financial resources, positive outcomes are possible. With improved coordination and

accountability; adequate financial resources; strong institutional authority and leadership on gender equality at both headquarters and country level; and a well-resourced network of experts and advisors easily accessible to the UN system and Member States, the UN's capacity to provide effective technical assistance and support at the national level would be significantly improved.

3 June 2009

Consolidated response regarding questions raised following discussions of the paper "Further Details on Institutional Options for Strengthening the Institutional Arrangements for Support to Gender Equality and the Empowerment of Women"

This consolidated response addresses the requests and questions raised by Member States regarding the details of the paper on "Further Details on Institutional Options for Strengthening the Institutional Arrangements for Support to Gender Equality and the Empowerment of Women" especially with regard to a new entity's structure, governance, staffing, funding and the relationships between the entity and intergovernmental bodies.

THE CURRENT GENDER ARCHITECTURE/STATUS QUO

The current architecture for gender equality and empowerment of women of the United Nations comprises: the Office of the Special Adviser on Gender Issues and Advancement of women (OSAGI), the Division for the Advancement of Women (DAW), the United Nations Development Fund for Women (UNIFEM), the International Institute for Research and Training for the Advancement of Women (INSTRAW). Gender units and gender focal points in United Nations entities also work to ensure gender mainstreaming, and departmental focal points address issues related to gender balance while gender theme groups work at the country level.

The four gender-specific entities which would be consolidated to form the new entity are composed as follows:

Staffing

The current staffing of the gender specific entities is as follows:

▪ OSAGI/DAW	37
▪ INSTRAW	9
▪ UNIFEM	232 [146 in field offices]

Funding

The current funding of the gender specific entities is as follows:

	2008/9 [Post and Non Post] ($ millions)
▪ OSAGI/DAW*	10.4
▪ INSTRAW**	1.6
▪ UNIFEM***	76.7

* Funded from Assessed Contributions

** INSTRAW's figures are for the year 2009 only

Gaps and Challenges of the current architecture

An analysis of the current architecture has disclosed several challenges and gaps.

- Coordination between intergovernmental decision and policy making and implementation on the ground is weak due to fragmented intergovernmental policy making.
- The system lacks a recognized driver with authority and positioning to lead the system. As a result, accountability within the system is weak and gender entities are not represented in high-level policy decision-making.
- There is a lack of accountability, an inconsistency in political will and support for gender equality, and system-wide standards are inadequate.
- Accountability mechanisms and the consequences for non-performance are not clear.
- Resources, both human and financial, are woefully inadequate at all levels.
- Inadequate country-level support for gender analysis and integration of gender perspectives in Common Country Assessments/United Nations Development Assistance Frameworks (CCA/UNDAFs) has resulted in weak capacity and poor positioning at the country level.
- There is insufficient emphasis on country-driven demands and ownership.

In order to close these gaps and meet the challenges, the current system requires an overhaul. The overwhelming preference is for the elimination of the current weak, fragmented and poorly-resourced individual gender-specific entities and replacing them with a single consolidated entity.

WHY A NEW ENTITY

The Purpose

The objective of the new entity would be to strengthen the United Nations' ability to provide coherent, timely and demand-driven support to Member States in the area of gender equality and women's empowerment.

The Vision

The Secretariat's vision of a new and strengthened architecture for gender equality and the empowerment of women was put forth by the Deputy Secretary-General in the Concept Paper of 1 August 2007. It foresaw a centralized entity, headed by an Executive Director at the Under-Secretary-General level, as the leader and voice on gender equality and empowerment of women. It would be adequately resourced and with authority and capacity to drive and hold the United Nations system accountable to provide effective support to Member States. Through this entity, the United Nations

[***] Funded from voluntary contributions

would eliminate fragmentation, under-resourcing and incoherence, which are characteristics of the current gender architecture.

The Functions

A new entity would carry out the following functions, as was indicated by the Deputy Secretary-General in the Concept Paper of 1 August 2007 and subsequently reiterated in the paper of 23 July 2008:

(a) Lead innovative and catalytic country-driven programming, gender mainstreaming and capacity-building, and provide targeted technical cooperation and capacity-building in line with national strategies;

(b) Provide substantive support to United Nations bodies (Commission on the Status of Women (CSW), Economic and Social Council (ECOSOC), General Assembly and Security Council) where commitments, norms, and policy recommendations on gender equality and gender mainstreaming are discussed and agreed upon;

(c) Building on comparative advantage of United Nations actors, lead and coordinate the system's strategies, policies and actions on gender equality and women's empowerment, and promote effective system-wide gender mainstreaming;

(d) Ensure accountability of the United Nations system, including through oversight, monitoring and reporting of system-wide performance;

(e) Undertake global, regional and national advocacy efforts on issues critical to gender equality and women's empowerment to ensure that emerging, under-recognized and under-resourced issues receive national, regional and global attention;

(f) Undertake new and consolidate existing research and analytical work, to support overall objectives, including acting as a clearing house for knowledge and experience on gender equality and empowerment of women from all parts of the United Nations system;

(g) Monitor implementation of the 12 critical areas of the Beijing Platform for Action, the Outcome Document of the 23rd Special Session of the General Assembly, and Security Council resolution 1325 (2000); and

(h) Monitor and report on system-wide compliance with intergovernmental mandates on gender balance including at senior/decision-making levels.

These functions could be grouped around the following four major clusters:

- ***Normative support***: The normative support work would entail servicing the intergovernmental United Nations bodies where commitments, norms and policy recommendations on gender equality and gender mainstreaming are discussed and agreed upon; supporting the monitoring of these commitments, particularly through the regular reviews of the provisions of

the Beijing Platform for Action and of the agreed conclusions of the CSW annual sessions;

- ***Analytical work***: Preparing studies and reports supporting the multilateral decision-making process related to the above-mentioned normative work; assessing progress made in gender mainstreaming policies; proposing policy options in view of such assessment, and addressing emerging issues related to gender equality;
- ***Gender mainstreaming***: Promoting the integration of the gender dimensions in the work programmes of all United Nations departments; supporting gender mainstreaming processes undertaken by the funds and programmes as well as the specialized agencies; monitoring and enhancing accountability for gender mainstreaming and facilitating the exchange of experiences on gender mainstreaming strategies among all entities of the United Nations system; and
- ***Programming, advisory services, technical assistance, training and capacity development:*** Carrying out catalytic, targeted and multisectoral programming; providing advisory services worldwide for the effective implementation of the commitments and norms adopted at the global level in the area of gender; organizing regional, sub-regional and inter-regional capacity-building activities.

INSTITUTIONAL OPTIONS

Three institutional options were proposed for consideration by Member States for a new consolidated entity, namely a Department within the Secretariat, a Fund or Programme and a Composite. It was understood that the institutional option selected would ensure that all the functions identified above would be effectively executed. In addition, the option would be well situated to close the gaps and address the challenges confronting the current architecture.

STRUCTURE OF A NEW ENTITY

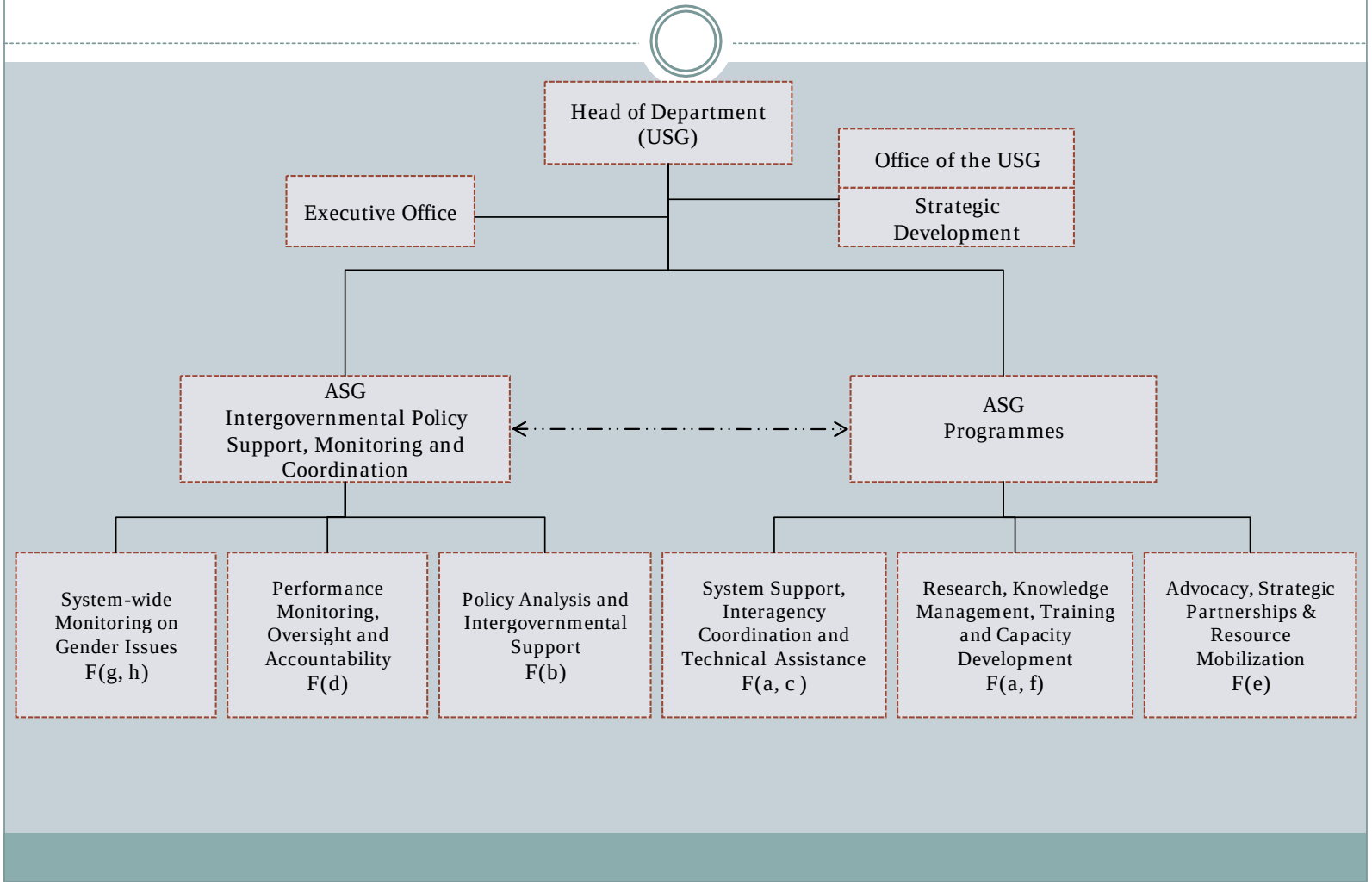
Assumptions

- A new Gender Equality Entity would be led by an Under-Secretary-General, who would be a member of the CEB and assisted by two deputies at the Assistant Secretary-General level.
- The entity would be positioned, authorized and mandated to support the United Nations system and hold it accountable for gender mainstreaming. It would undertake all the functions previously outlined in the Deputy Secretary-General's papers of 1 August 2007 and 23 July 2008.

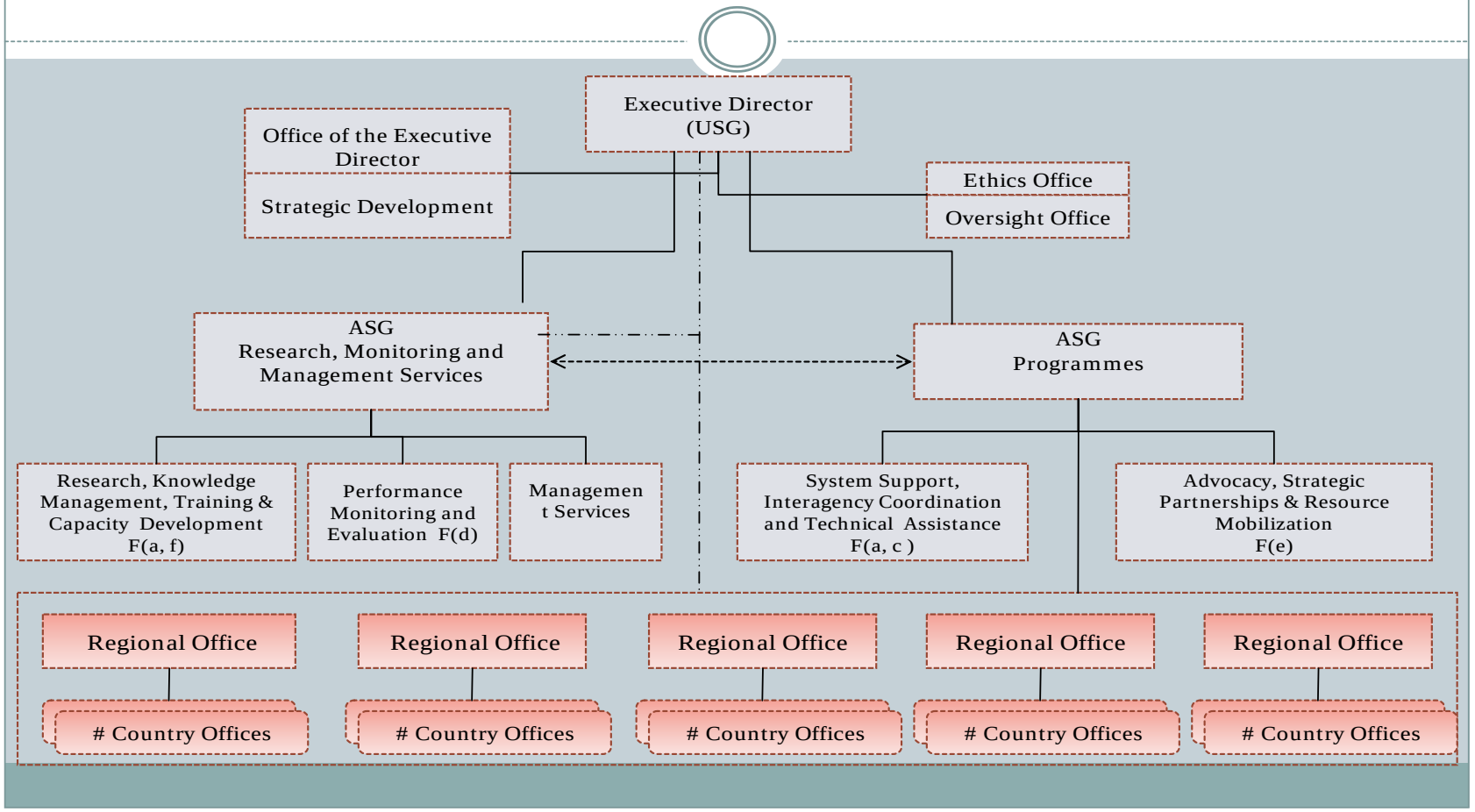
- It would have strong and strategic field presence to enable it to provide robust support to Member States for country-driven catalytic programming and targeted technical cooperation, within available resources.
- It would also maintain and strengthen collaboration between Member States, the United Nations system and civil society, particularly women's NGOs and networks, in pursuit of gender equality and women's empowerment. The entity would be provided with substantially increased and predictable resources.
- It is assumed that the functions identified in the Deputy Secretary-General's Concept Note of 7 August 2007 and reiterated in the Institutional Options Paper of 23 July 2008, are accepted by Member States as the functions of a new Gender Entity. Keeping in mind that one of the key principles in the design of organizational structure is that "form follows function", the functions identified in the 7 August 2007 paper have been used as the basis for drawing the organigramme proposed for each option of the gender entity.

It is proposed that the Under-Secretary-General would be supported by two Assistant Secretaries-General. Each Assistant Secretary-General would manage three divisions. In the case of the Fund/Programme and the Composite entity, the structure would include regional and country offices. The diagrams below summarize the structure of the entity for the Department, Fund/Programme and Composite. It is estimated that almost 89 per cent of the staff of the Fund/Programme or the Composite would be in the field. In the case of the Department, country level work would be performed by Advisers based at Headquarters, with the support of a network of regional experts.

OVERALL STRUCTURE OF THE GENDER EQUALITY ENTITY - Department

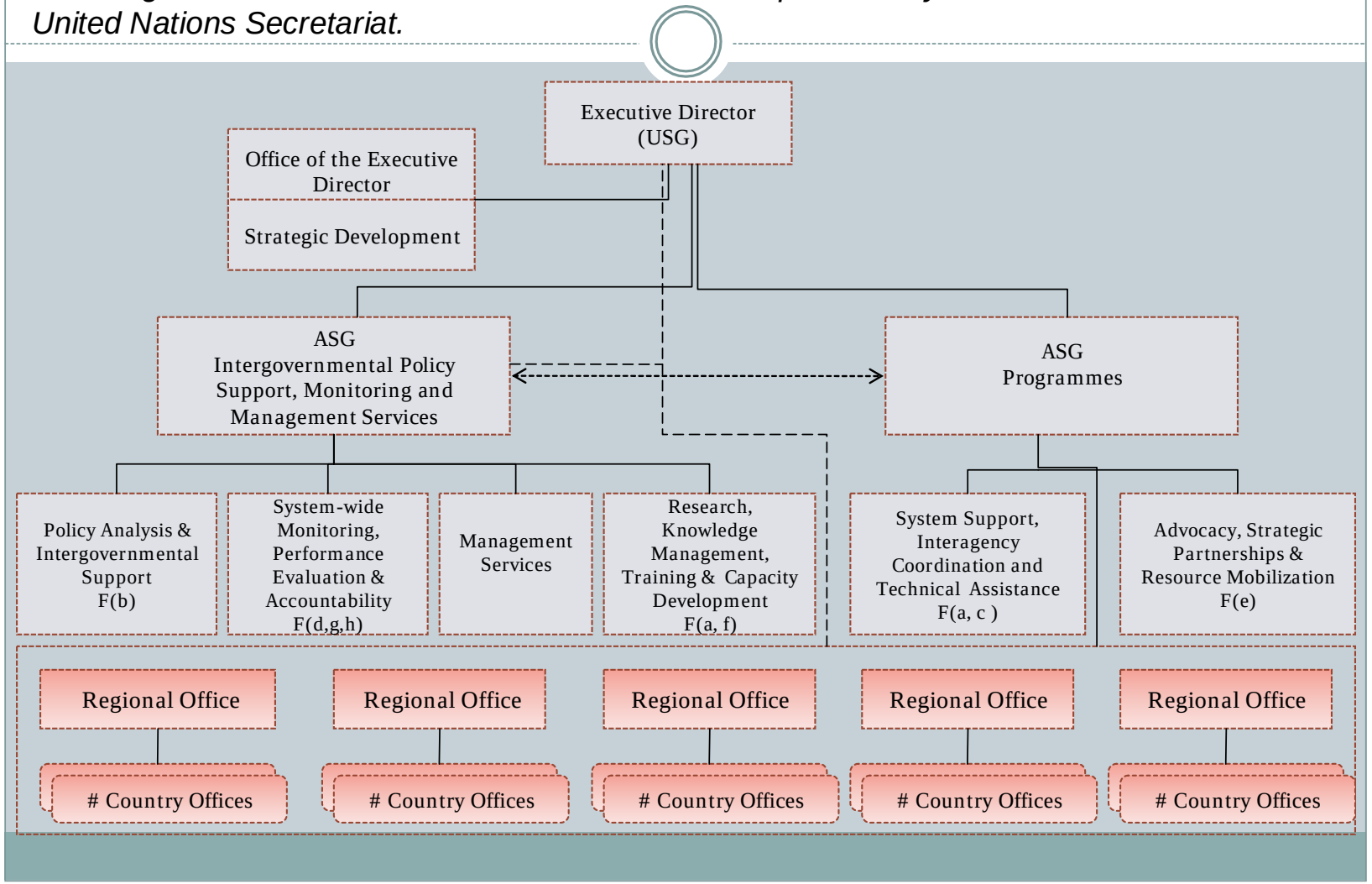


OVERALL STRUCTURE OF THE GENDER EQUALITY ENTITY – Fund or Programme



OVERALL STRUCTURE OF THE GENDER EQUALITY ENTITY – Composite

** Oversight and Ethics functions would continue to be provided by the relevant offices within the United Nations Secretariat.*



Governance Structure

In its resolution 50/203 of 22 December 1995, the General Assembly decided that the Assembly, the Economic and Social Council and the Commission on the Status of Women, in accordance with their respective mandates, should constitute a three-tiered intergovernmental mechanism with the primary role in policymaking on gender equality and follow-up.

In line with this, on policy implementation issues, the Department and the Composite entity would report to these three intergovernmental bodies, whereas the Fund/Programme would report to the General Assembly through the Economic and Social Council.

On programmatic and financial matters, the following arrangements are proposed:

(a) The department would report to the General Assembly through CPC and ACABQ (given that funding would be provided from assessed contributions).

(b) Both the Fund/Programme and the Composite entity would report to an Executive Board (given that funding would be wholly/primarily provided from voluntary contributions.

Executive Board

The General Assembly may choose either to establish a new Executive Board or utilize an existing one such as the UNDP/UNFPA or UNICEF Executive Board. In the latter case the terms of reference would have to be modified to cover the new gender entity.

An Executive Board has proven to be an effective governance structure to provide oversight and operational policy guidance to the existing Funds and Programmes in line with policies and norms established by Member States. In addition, an Executive Board has the following advantages:

- It is technical in nature, and stresses the importance of national ownership and capacity development.
- It is focused on setting strategic direction, assessing performance according to results and lessons learned, and it is well suited to resource mobilization.
- It allows the General Assembly to build on existing models.

Staffing of a New Entity

The staffing of a new entity is estimated on the assumption that the functions of the new entity would be those outlined in the Deputy Secretary-General's papers of 7 August 2007 and 23 July 2008. As indicated in the structures given above, there would be six divisions. At headquarters, each division would be further subdivided at least into two branches. In the case of the Department, the computation of staffing is based on the

assumption that field level support, that is support at the regional and country levels, would be provided on a non-resident basis. The Department would not have country or regional representatives in the UNCTs and Regional Directors Teams.

On the other hand, staffing of the Fund/Programme and the Composite is based on the premise that each would be represented both at country and regional levels at a rank comparable to those of other UN system entities present. The majority of the staff resources (approximately 89 per cent) would be deployed in the field. On the basis of the foregoing the staffing requirements under the three options are projected as follows:

STAFFING COMPARISON TABLE

Field Staff in Parentheses

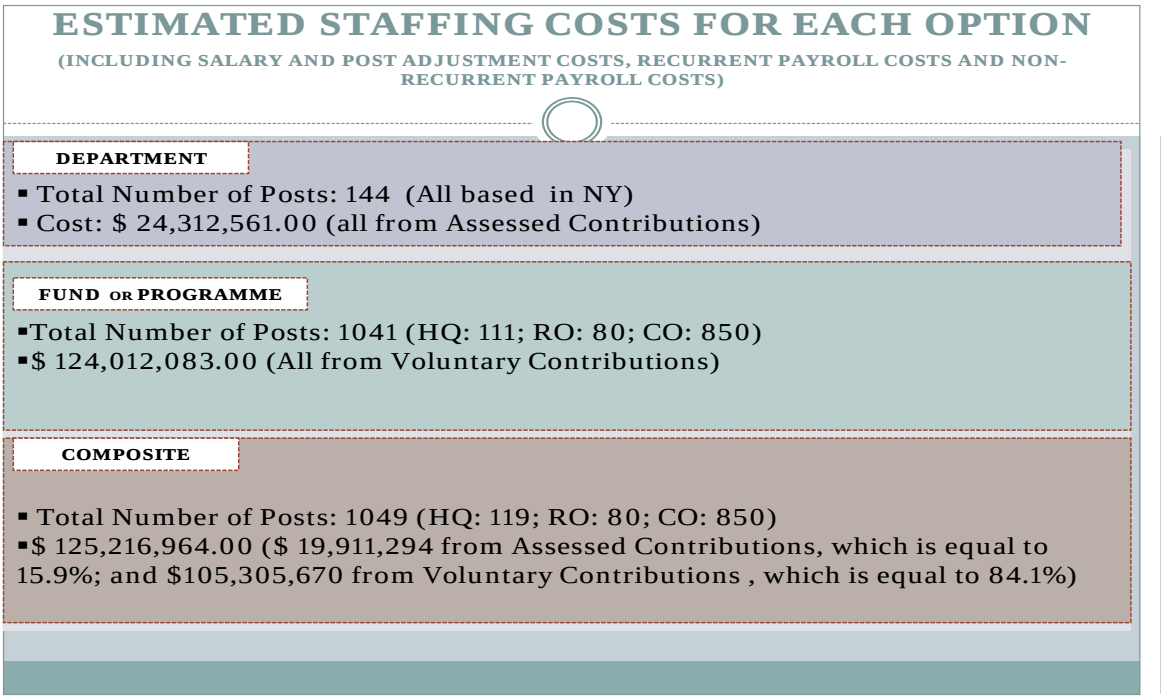
LEVEL	DEPARTMENT	FUND/PROGRAMME	COMPOSITE
USG	1 (0)	1 (0)	1 (0)
AGS	2 (0)	2 (0)	2 (0)
D2	6 (0)	10 (5)	11 (5)
D1	21 (0)	45 (30)	45 (30)
P5	25 (0)	77 (60)	78 (60)
P4	18 (0)	35 (20)	36 (20)
P3/P2	13 (0)	66 (55)	67 (55)
NO	0 (0)	400 (400)	400 (400)
GS PL	3 (0)	3 (0)	4 (0)
GS OL	55 (0)	402 (350)	405 (350)
TOTAL	144 (0)	1041 (930)	1049 (930)
% Field Posts	0	89.3	88.7

Funding of a new entity

A new, strengthened and coherent gender equality and women's empowerment entity would require substantial and predictable resources. This would inevitably be much more than is currently at the disposal of the four gender equality specific entities.

- The Department, on the assumption that it would be based at headquarters, would, like other departments of the Secretariat, be funded from assessed contributions.
- The Fund/Programme, like other funds/programmes would be funded entirely from voluntary contributions.
- The Composite, drawing on features from both the department and the Fund/Programme would be funded from both assessed and voluntary contributions.

Based on the number of staff indicated above, and using the United Nations pro-forma cost calculation, estimated annual staffing costs in US dollars for each option would be as follows:



Advantages of the Composite Entity in comparison to other options

In order to truly enhance United Nations effectiveness in the area of gender equality and women's empowerment, it is critical that the current reform tackles all the gaps and challenges in the current architecture.

The Composite has been identified by the Secretary-General and many Member States as the option with the best promise to address all gaps and to ensure gender mainstreaming and accountability. The composite entity should seamlessly merge DAW, OSAGI, UNIFEM and INSTRAW into one consolidated entity that would be tasked with combining the United Nations' normative support and operational functions and enhance United Nations performance on gender equality. The Composite would fully integrate all existing mandates of these four entities and build on them. The main advantage would be the improvement in structure/architecture that allows for more effectiveness in the implementation of these mandates.

The Department and the Fund/Programme would leave some of the current gaps in place. The Department would not have robust field presence. The Fund/Programme would miss the opportunity to link the normative and operational functions, an area of noted weakness. The servicing function would continue to be performed within the Secretariat, thereby sustaining fragmentation. Leaving in place certain gaps/challenges will be a lost opportunity.

After almost three years of intensive consultations and interactive debates among the Member States, fully back-stopped by the Secretariat and the entire United Nations system, there is a compelling need to take decisive action without further delay in order to better equip the United Nations with an adequate institutional capacity to fully realize the goal of gender equality and the empowerment of women.

Permanent Mission of Barbados to the United Nations
800 SECOND AVENUE, 2ND FLOOR, NEW YORK, N.Y. 10017
(212) 867-8431 FAX (212) 986-1030

REPRESENTATION PERMANENTE DU
GRAND-DUCHE DE LUXEMBOURG
AUPRES DES NATIONS UNIES
17 BEEKMAN PLACE, NEW YORK, N.Y. 10022
TEL: (212) 935-3589 / FAX: (212) 935-5896

September 17, 2007

Excellency,

We refer to your letter of May 25, 2007 regarding the High-Level Panel Report on United Nations System Wide Coherence.

Further to our appointment as co-chairs to lead the consultations on your behalf, and in accordance with our mandate, we conducted nine informal consultations and briefings involving the entire UN membership. The consultations proved to be very fruitful and informative and allowed Member States to discuss the various recommendations of the High Level Panel Report.

One of the key points that we have drawn from the debate is that it will be essential to find the right balance between the need to ensure political oversight and monitoring and further progress in substance in the different specific areas in order to allow further progress on the different issues. In doing this, it will be necessary to ensure political attention at different levels over a prolonged period of time, since the implementation of the different reform proposals will need to be decided, implemented and evaluated in a middle to long term perspective in order to give the process the necessary continuity, coherence and stability which are necessary to realize the changes that the emergence of a more efficient and effective UN system will require.

It is our honour, to transmit to you our report of the main messages that emerged from the informal consultations. We hope that our effort will be a useful contribution to the UN reform process as we all seek to ensure that the organization is best structured to respond to the needs of member states.

Please accept, Excellency, the assurances of our highest consideration.

Christopher F. Hackett
Co-Chair

Jean-Marc Hoscheit
Co-Chair

Permanent Mission of Barbados to the United Nations
800 SECOND AVENUE, 2ND FLOOR, NEW YORK, N.Y. 10017
(212) 867-8431 FAX (212) 986-1030

REPRESENTATION PERMANENTE DU
GRAND-DUCHE DE LUXEMBOURG
AUPRES DES NATIONS UNIES
17 BEEKMAN PLACE, NEW YORK, N.Y. 10022
TEL: (212) 935-3589 / FAX: (212) 935-5906

Report of the Co-Chairs to the President of the General Assembly on the consultations regarding ñSystem-wide Coherenceò (SWC)[1]

United Nations, New York, September 2007

[1] Available electronically at: www.un.org/ga/president/61/follow-up/system-wide-coherence.shtml

INDEX

I. Introduction ..... p. 3

II. The Eight Components

1) Delivering as one at country level ..... p. 5

2) Humanitarian issues and recovery ..... p. 6

3) Environment ..... p. 7

4) Gender ..... p. 8

5) Human rights ..... p. 9

6) Governance and institutional reform ..... p. 10

7) Funding ..... p. 11

8) Business practices ..... p. 12

III. Conclusions and further recommendations ..... p. 14

Annex A ï The HLP recommendations divided into eight components

Annex B ï Program of work

Annex C ï List of Abbreviations

I. Introduction

The 2005 World Summit in New York called, inter alia, for a stronger UN System-wide Coherence through measures related to policy, operational activities, humanitarian assistance and environmental activities (Outcome Document para. 168 & 169, doc. A/RES/60/1). It specifically invited the Secretary-General to "launch work to further strengthen the management and coordination of United Nations operational activities."

As part of the follow-up of the 2005 World Summit, the Secretary-General commissioned a High-level Panel on United Nations System-wide Coherence[2] in the areas of development, humanitarian assistance and the environment to develop a concrete and comprehensive analysis and recommendations in order to overcome the increasing fragmentation of the UN system and improve its overall performance (see Terms of reference of the Panel issued on 15 February 2006).

The Panel worked over a period of nine months and on November 9, 2007, the three Co-Chairs[3] of the High-level Panel submitted their report to the Secretary-General. This report was published on November 20, 2007 along with a note by the Secretary-General (A/61/583).

On April 3, 2007, the new Secretary-General published his own assessment of the High-Level Panel's report (see doc. A/61/836).

The General Assembly held, on April 16, 2007, its 1st plenary meeting on the High-level Panel report. During this meeting the Secretary-General introduced his report which was followed by a general discussion by Member States.

[2] For further details, please consult: http://www.un.org/events/panel/index.html
[3] The Prime Minister of the Islamic Republic of Pakistan, the Prime Minister of Mozambique and the Prime Minister of Norway.

Against this background, on May 25, 2007, the President of the General Assembly established an open, transparent and inclusive inter-governmental process to consider the High-level Panel's report on United Nations System-wide Coherence as well as the report of the Secretary-General in a result-oriented manner, and appointed us as Co-Chairs to guide it on her behalf[4].

Starting with the first inter-governmental consultations on June 6, 2007 nine informal debates and briefings involving the full UN membership were organized by the Co-Chairs.

In order to facilitate and structure the debate, the HLP's recommendations were regrouped into eight thematic components: delivering as one at country level, humanitarian issues and recovery, environment, gender, human rights, governance and institutional reform, funding and business practices (see annex A for a list of the recommendations as they relate to the eight components).

This report is based on some of the key messages that emerged from these informal consultations during which all Member States had the opportunity to express their views on each of the eight components. Our conclusions also reflect the extensive series of informal consultation meetings we had with groups of Member States, senior officials of the UN secretariat and UN agencies, as well as with representatives of non-governmental organizations. Our comments and proposals on the general approach and the ways to deal with specific recommendations reflect our best judgment on the way forward, taking due account of all the sensitivities and points of which we were made aware. It is the expression of a sincere and hopefully fair attempt to design an approach which can be widely shared, the objective of which is to contribute to a more effective and efficient UN system better equipped to answer the old and new challenges of our times.

[4] See http://www.un.org/ga/president/61/follow-up/system-wide-coherence.shtml

II. The eight components

1) Delivering as one at country level

In our consultations and multiple contacts, the basic rationale for promoting better and more efficient delivery of services at the country level by the UN has not been fundamentally challenged. The wish to see a better performing UN is largely shared both by recipient and donor countries, as well as by representatives of the relevant UN organizations. However, if this is a largely shared objective, there is yet less communality of views on the best ways and means to reach this objective. This indicates that more information and debate will be necessary to allow for a broader common perspective to emerge.

The consultation process so far has demonstrated the multiplicity and complexity of the issues to be addressed. It has also allowed Member States to gain a better and deeper understanding of the numerous processes currently underway, particularly the TCPR process and the launching of the eight pilot projects. These multiple processes attempt to promote and increase operational and procedural convergence amongst UN entities who are active at the country level, notably in the context of the implementation of the 2004 TCPR resolution (A/RES/59/250) and the launching of the eight pilot projects. This process of information sharing through an open and transparent debate will need to be pursued and intensified in the context of the inter-governmental discussions and decisions on the 2007 TCPR and in the context of the further information sharing and evaluation of the pilot projects.

It needs to be underlined that the issue of the UN delivering as one at the country level and its key features, One programme, One leader, One budgetary framework and One Office needs to be analyzed and addressed in conjunction with the important issues of funding, governance and institutional reform, on which further work is necessary (see parts 6 and 7 of the present report). Specifically, imaginative thinking will need to be developed in the

context of the important question of improving "one UN" at headquarters level in parallel with similar developments at country level.

The implementation of pilot projects should progressively deliver important empirical and analytical data to be extracted from a thorough process of evaluation that will contribute to and enrich decisively the inter-governmental debate on these issues. Tentative first experiences as reported by a number of pilot countries were encouraging in showing the benefits that a more cohesive and qualitatively better delivery of services by the UN at country level can bring for recipient countries and their populations, while ensuring full government ownership and the implementation of overall agreed development priorities. The experimental nature of the pilots and their diversity needs to be preserved and respected and the different pilots must be allowed to run their full course in order to allow significant "lessons learned" to be gained and processed.

We believe that the consultation process on these issues should continue during the 62nd session of the GA, taking into account fully and respecting the 2007 TCPR process. These consultations should focus on a further elaboration of some of the issues and questions raised during the first briefing by UNDG, as well as provide Member States with additional information on the evolution of the eight pilots, based on a the views of the pilot countries and a report by UNDG and the UN Evaluation Group on the first "lessons learned" emerging from the pilots.

2) Humanitarian issues and recovery

In recent years efforts in the area of humanitarian reform have been undertaken and, to a large extent, implemented improving the overall performance and the coordination capabilities of the UN humanitarian response system. At the same time, increased attention has been paid to the issue of disaster preparedness and risk reduction and the complex question of transition from relief to development.

Based on the briefing received by the Under Secretary-General and Emergency Relief Coordinator, Sir John Holmes[5] as well as the views expressed by Member States it is our understanding that real progress is already being realized with a view of implementing many of the recommendations contained in the HLP on humanitarian issues and recovery, and that they have been considered or are being considered ï in some way or the other - by the GA and ECOSOC, as well as the ERC, OCHA, IASC, IFAF, FAO, UNDP, UNHCR, WFP and all other relevant stakeholders. Member States agreed that these activities should be actively pursued in a result-oriented manner and with the necessary sense of urgency warranted by the importance of the issues at stake.

In order to ensure the overall guidance and oversight of the GA during its next session, a further stock taking briefing could be organized. The aim of such a briefing would be to assess progress made in the implementation of the recommendations related to humanitarian issues and recovery and address questions raised by Member States during the informal consultations.

3) Environment

During the consultations on the environment component Member States sought clarification on the relationship between the ongoing consultative process on the institutional framework for the United Nationsô environmental activities and the consultative process on SWC. Some Member States called for consideration of the recommendations related to the environment in the former process in order to avoid overlap, while others reiterated their earlier call for an integrated and holistic consideration of the HLP report.

[5] A copy of his briefing can be found under: http://www.un.org/ga/president/61/follow-up/system-wide-coherence.shtml.

4) Gender

All Member States of the UN recognize the importance of gender equality as a crosscutting issue in all the main areas of work of the UN including peace and security, development, environment and humanitarian assistance. Member States also recognize the urgent need to bridge the gap between policy and implementation, to mainstream gender throughout the UN system, to have greater coherence across the board in all agencies dealing with gender issues, to avoid duplication of work and to strengthen operational activities. This issue has also received great attention by interested representatives of civil society, both concerning the normative and operational dimensions

It is clear that while some delegations support the HLPõs recommendation to establish a new gender architecture and the proposal to establish a post of Under-Secretary General in this context, others to varying degrees and on the basis of both substantive and procedural reasoning, either do not support the creation of a new body or favor further discussions before any decision is made.

While there is clearly enthusiasm among some Member States for creating a new gender architecture, views expressed by others during the informal consultations illustrate the concerns that will need to be faced in moving forward.

Based on the briefing delivered by the Deputy Secretary General, Dr. Asha-Rose Migiro and as further expanded in her concept paper[6], we recommend that the PGA organize further informal consultations during the 62nd session to allow for more thorough discussion among Member States of the HLPõs recommendations with a view to taking concrete action.

[6] For further details see for example the briefing given by DSG Migiro and the concept paper (http://www.un.org/ga/president/61/follow-up/system-wide-coherence.shtml).

5) Human rights

Based on the briefing delivered by the High Commissioner for Human Rights, Mrs Louise Arbour[7] and the subsequent discussion amongst Member States, it is our understanding that the recommendations of the HLP on the role of the resident coordinator system and human rights mainstreaming in general throughout the work of the UN are in some ways already being implemented with the contribution and support of the UN High Commissioner for Human Rights and her Office.

All Member States accept the critical linkage between human rights and development and agree on the need to strengthen the protection and promotion of human rights. Also many Member States reiterated that all Sates regardless of their political, economic and cultural systems have the duties to promote and protect all human rights and fundamental freedoms.

While some delegations support the recommendations on human rights, other delegations retain serious concerns. Many developing countries expressed the view that the recommendations could be used as a way to impose conditionalities on the delivering of development assistance to developing countries and particularly on UN development programmes which are primarily based in those States. Some Member States also stressed the importance of the role of inter-governmental processes such as the General Assembly and the Human Rights Council. Others support a strengthened human rights based approach to development. The importance of national priorities and requests with regard to technical assistance and the role of the resident coordinator / OHCHR were also emphasized.

In light of the above we believe that no specific track should be established to deal with the recommendations on human rights and that the issue of further

[7] See: http://www.un.org/ga/president/61/follow-up/system-wide-coherence.shtml

human rights mainstreaming should continue to be on the agenda of the relevant fora.

6) Governance and institutional reform

As a corollary of a greater emphasis on the UN ñdelivering as oneò at the country level, the issues of governance and decision-making at Headquarters levels necessarily assume relevance in the debate on system-wide coherence.

The major concerns raised by Member States over the recommendations contained in the governance component were the possible erosion of national ownership of the UN inter-governmental processes, duplication of existing mandates and functions and the absence of adequate information in support of many of the recommendations.

While it was recognized that institutional reform would be necessary to support reform at the country level some Member States expressed the view that institutional reform should be undertaken within existing frameworks such as the TCPR. It was also recognized that some of the recommendations made by the HLP could be implemented by the Secretariat themselves and did not require inter-governmental approval.

Given the high importance of the proposed recommendations and their potential implications, we believe that the Secretariat should be mandated to provide Member States with additional information in the form of a concept paper, on:

- the Sustainable Development Board, particularly in the context of a strengthened ECOSOC and the Executive Boards mainstreaming sustainable development into ECOSOC;
- the establishment of a Global Leaders Forum of ECOSOC, particularly in light of the recently established Development Cooperation Forum

- the Setting up of a Development Policy and Operations Group, chaired by the UNDP Administrator;
- the reconfiguration and co-location of UN regional offices;
- stronger links with Bretton Woods institutions, including greater clarity on respective roles at global and country level;
- an annual meeting (with Bretton Wood participation) to be chaired by the Secretary-General to review the international development structure .

This paper should also provide an update on progress being made with respect to those recommendations and reforms being implemented by the Secretariat and possibly analyze to what extent change should take place at headquarters levels in order to respond in an effective and efficient way to the reforms being implemented at country level.

7) Funding

On the issues of funding the following questions have been identified during the consultations, as of central importance:

- the issue of the quality, quantity and predictability of funding;
- the issue of a better balance to be achieved between non-core and core funding;
- the reinvestment of reform savings back into the system, notably at country level;
- the review of funding mechanisms and practices, including the alignment of budget cycles and the establishment of one budgetary framework in the pilots;
- the issue of resource mobilization, and
- the funding of a strengthened RC system.

These multiple issues, complex in themselves, are clearly linked to the questions of delivering as one at the country level and the improvement of business practices, specifically in the budgetary and financial fields.

Funding clearly plays a central role in overcoming the current fragmentation of the UN system and supporting efforts to promote a more coherent and coordinated performance of the system as a whole and a more cost-effective and improved delivery of services.

Some aspects of the ñFundingò component should be discussed essentially within the framework of existing UN mechanisms, particularly the upcoming TCPR discussions to be held during the 62nd GA. Additional briefings may be organized on the funding component and more specifically on new funding modalities and principles of good multilateral donorship in order to achieve the internationally agreed upon development goals, including the Millennium Development Goals.

Many Member States have clearly indicated that System-wide Coherence should not have as an objective to be a cost-cutting exercise and this should be taken fully into account in future consultations. The issue of eventual reform savings to be reinvested in the system, and, more specifically, in the country where they were generated, was also raised.

8) Business practices

Through the consultations and the multiple contacts the co-Chairs had with representatives of the different UN entities which compose the UN system, we gained a better understanding of the process of increasing fragmentation that has characterized the UN system over the more than sixty years of its history. Under the strategic leadership of the CEB and on the basis of strong commitment by the principals of the UN entities involved, a great number of areas of work have been identified and concrete work in specific areas launched.

It is our understanding that significant progress has already been achieved on system wide harmonization of business practices with a view to implementing some of the recommendations in the HLP report. In addition some of these recommendations have been considered or are being considered by the General Assembly, 5th Committee and in the context of the TCPR. The CEB as well as the UN Secretariat and all other relevant stakeholders are currently implementing those decisions already adopted at the inter-governmental level, as well as those that do not require inter-governmental decisions. We look forward to their early completion and implementation. Relevant bodies should remain seized.

We would suggest organizing during the next session of the GA, a further stock taking briefing by the CEB, most preferably after its 2007 fall session. The aim of such a briefing would be to assess progress made in the implementation of these recommendations..

III. Conclusions and further recommendations

Substantial differences remain on procedural and substantive grounds over the further consideration of the HLP report. On process some Member States called for further consideration of the HLP report by the GA in an integrated and holistic manner, while others called for an early harvest on some of the recommendations contained in the HLP report. These differences still persist and further consultations may be required if the Assembly is to agree on a process/processes for decision-making on the recommendations contained in the HLP report which are under its purview. In moving forward Member States should be cognizant of the fact that there exist substantial differences in the degree of implementation of some of the recommendations contained in the eight components. Added complexities arise from the fact that different decision-making bodies and consultative process are already seized with a large number of recommendations and components. These decision making bodies and consultative processes are structuring their work within different timelines which might overlap but do not necessarily coincide.

When considering the recommendations full use should be made of the existing mechanisms, where appropriate, in order to avoid any duplication of efforts and proliferation of processes. In order to sustain full commitment and real ownership, the Members of the General Assembly should be kept informed regularly on the ongoing reform process within the different components wherever possible. Needless to specify that the relevant decision making bodies acting in accordance with their respective mandates, shall remain fully seized.

On substance there were many calls for more clarity and additional information on a number of recommendations. As part of the consultative process during the 62nd session, the Secretariat should be mandated to provide greater clarity to the questions and concerns raised by Member States during the informal consultations either through briefings or reports.

The first imperative that emerges out of the inter-governmental consultation on system-wide coherence and the multiple contacts that have been established by the Co-Chairs since end of May 2007 is the need to provide the General Assembly of the UN with an overall view of the ongoing multiple and diverse activities in the different policy areas covered by the HLP report on UN SWC and the subsequent report by the Secretary-General on its recommendations.

On a second level, we believe that the GA needs to exercise overall leadership on this important issue of SWC, which is itself part of the larger UN reform agenda, and as such is an inherently political exercise which expresses the political will of UN Member States to strengthen a õmultilateral framework with the United Nations at its center to meet the challenges of development, humanitarian assistance and the environment in a globalizing worldò (HLP report, p.11).

For a coherent strategic perspective on SWC to emerge and deepen, it is proposed that political leadership be exercised at three levels:

- in the plenary of the General Assembly;
- in the Economic and Social Council;
- in further thematic informal consultations.

First of all, the matters addressed in the context of the SWC project need to be addressed at the level of the General Assembly. It is therefore proposed that the GA should consider holding at intervals a thematic debate in the plenary in order to assess progress on the process as a whole, and give, where necessary, the political direction and impulse required.

A first debate of this nature could be usefully organized early during the 62nd session of the GA, when a number of on-going efforts in different policy areas will have come to (provisional) fruition and can be usefully evaluated.

Recognizing that ECOSOC is the principal UN body for coordination, policy review, policy dialogue and recommendations on issues of economic and social development, and that it has seen its role strengthened recently in these areas through resolution 61/16 (A/RES/61/16), it is further proposed that the Economic and Social Council places the development-related aspects of SWC on its agenda and work on those, similar to the way in which it already addresses matters related to the TCPR.

Finally, it is proposed that the round of informal consultations, as launched during the past few months, be continued, as required, in specific areas where the need for a further increase in information and/or a deepening of the analysis is established and as new developments arise. By way of example, the following thematic meetings could be envisaged:

- Delivering as one and funding (follow-up to the informal consultations of 2.8.07);
- Business practices (after the next meeting of the CEB);
- Further feed back from the pilots.

In order to prepare adequately further GA discussions and to consolidate all information available in order to establish a comprehensive and factual state of affairs, the flow of information and policy dialogue between all major UN stakeholders, intergovernmental and institutional, involved in the implementation in the area of SWC will need to be maintained.

The issue of SWC and its implementation should be placed on the agenda of the governing bodies of the organizations of the UN system involved in the process.

ANNEX A - The HLP recommendations divided into eight components

recommendation number:	
	1. Delivering as one at country level
1	The United Nations should deliver as one by establishing, by 2007, five One Country Programmes as pilots. Subject to continuous positive assessment, demonstrated effectiveness and proven results, these should be expanded to 20 One Country Programmes by 2009, 40 by 2010 and all other appropriate country programmes by 2012.
2	United Nations resident coordinators should have the authority to lead the One Country Programme. To perform this function, resident coordinators should have appropriate competencies, capabilities and support capacities. Their enhanced authority should be matched by a clear accountability framework and an effective oversight mechanism to ensure system-wide ownership of the resident coordinator system.
3	UNDP will consolidate and focus its operational work on strengthening the coherence and positioning of the United Nations country team delivering the One Country Programme.
4	To ensure that there is no potential for, or perception of, a conflict of interest, UNDP should establish an institutional firewall between the management of its programmatic role and management of the resident coordinator system (including system-wide strategic and policy support).
Milestone	By the end of 2007 UNDP will have finalized a code of conduct and by the end of 2008 it will have implemented the firewall and restructuring.
	2. Humanitarian issues and recovery
5	To avoid a fragmented approach to humanitarian assistance, there should be stronger partnership arrangements between the United Nations, national Governments, the International Federation of Red Cross and Red Crescent Societies and NGOs, based on the coordination and leadership roles of the Emergency Relief Coordinator at the global level and the humanitarian coordinator at the country level.
6	The Central Emergency Response Fund should be fully funded to its three-year target of US$ 500 million from additional resources. A substantial increase should be considered over the coming five years, following a review of its performance
7	The humanitarian agencies should clarify their mandates and enhance their cooperation on internally displaced persons.
8	The repositioned UNDP should become the United Nations leader and coordinator for early recovery.
9	Adequate funding for the United Nations role in early recovery should be ensured.
10	To build long-term food security and break the cycle of recurring famines, especially in sub-Saharan Africa, WFP, the Food and Agriculture Organization of the United Nations (FAO) and the International Fund for Agricultural Development should review their respective approaches and enhance inter-agency coordination.
11	The United Nations efforts on risk reduction should be urgently enhanced, through full implementation and funding of international agreements and other recent initiatives and the involvement of communities.
12	The United Nations should continue to build innovative disaster assistance mechanisms, such as private risk insurance markets, as means to provide contingency funding for natural disasters and other emergencies.
	3. Environment
13	International environmental governance should be strengthened and more coherent in order to improve effectiveness and targeted action of environmental activities in the United Nations system.

14	An upgraded UNEP should have real authority as the environment policy pillar of the United Nations system, backed by normative and analytical capacity and with broad responsibility to review progress towards improving the global environment.
15	United Nations agencies, programmes and funds with responsibilities in the area of the environment should cooperate more effectively on a thematic basis and through partnerships with a dedicated agency at the centre.
16	Efficiencies and substantive coordination should be pursued by diverse treaty bodies to support effective implementation of major multilateral environmental agreements.
17	GEF should be strengthened as the major financial mechanism for the global environment.
18	The Secretary-General should commission an independent and authoritative assessment of the current United Nations system of international environmental governance.
19	A stronger partnership between UNEP (normative) and UNDP (operational) should build on their complementarities.

4. Gender

21	The Panel recommends strengthening the coherence and impact of the United Nations institutional gender architecture by streamlining and consolidating three of the United Nations existing gender institutions as a consolidated United Nations gender equality and women's empowerment programme.

5. Human rights

22	Resident coordinators and United Nations country teams should be held accountable and be better equipped to support countries in their efforts to protect and promote human rights.
23	OHCHR, the centre of excellence on human rights, should provide dedicated support to the resident coordinator system.
24	All United Nations agencies and programmes must further support the development of policies, directives and guidelines to integrate human rights in all aspects of United Nations work.

6. Governance and institutional reform

20	Sustainable development should be mainstreamed into the work of the Economic and Social Council.
25	The Panel recommends that the Secretary-General establish an independent task force to build on the foundation of its work.
26	A Global Leaders Forum of the Economic and Social Council should be established.
27	A Sustainable Development Board should be established.
28	Meetings of the Sustainable Development Board should supersede the joint meeting of the boards of UNDP/UNFPA/gender entity, WFP and UNICEF.
Milestone	Member States should agree on the composition and mandate of the Sustainable Development Board by September 2007, and the Board should convene its first session by June 2008.
30	The Secretary-General should appoint the UNDP Administrator as the Development Coordinator to chair the Development Policy and Operations Group that would support One United Nations at the country level.
31	United Nations entities at the regional level should be reconfigured and the United Nations regional setting should be reorganized around two interrelated sets of functions.
32	Regional offices of United Nations entities should be co-located and the definition of regions among all United Nations entities should be standardized to ensure consistency and coherence in the work of the United Nations at the regional level.
33	At the national level, Governments should establish an "all-of-government" approach to international development to ensure coordination in the positions taken by their representatives in the decision-making structures of all relevant organizations, including the Bretton Woods institutions and the World Trade Organization.

35	As a matter of urgency the Secretary-General, the President of the World Bank and the Executive Director of IMF should set up a process to review, update and conclude formal agreements on their respective roles and relations at the global and country level. These reviews must be periodically updated as well as assessed. This process should be undertaken on the basis of the enhanced performance, strengthened delivery and more influential role that the United Nations will have if our reforms are implemented.
36	To review cooperation within the international development structure, and to ensure policy consistency and coordination, an annual meeting should be chaired by the Secretary-General, with the participation of the President of the World Bank, the Managing Director of IMF, the Development Coordinator and relevant heads of agencies, funds and programmes, including the Directors-General of the World Health Organization (WHO), the Food and Agriculture Organization of the United Nations (FAO), the International Labour Organization (ILO), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and others, depending on the issue under discussion.
37	The capacity of the resident coordinatorôs office to advocate, promote and broker partnerships between Government and relevant civil society organizations and the private sector should be enhanced to build stakeholder consensus and realize country-specific goals as embodied in the national development plans.

7. Funding

34	The United Nations should establish benchmarks by 2008 to ensure the implementation of principles of good multilateral donorship.
38	Funding for the One Country Programmes should be predictable and multi-year.
39	There should be full core funding for individual United Nations organizations committed to reform.
40	The United Nations should drive reform by channelling reform savings back into the system through mechanisms, such as an empowerment fund.

8. Business practices

29	CEB should review its functions.
41	CEB, chaired by the Secretary-General, should lead efforts to improve management efficiency, transparency and accountability of the United Nations system.
42	The business practices of the United Nations system should be harmonized.
43	Evaluation mechanisms should be established for transparency and accountability.
44	Human resource policies and practices should be updated and harmonized.
45	Executives should be selected according to clear criteria, and for limited terms.
46	Change should be managed at the highest levels.
47	The Panel recommends that the Secretary-General appoint a senior member of his staff and provide the necessary resources to form a senior change management team.

ANNEX B – Program of work

1) Delivering as one at country level ï Briefing by the Administrator of UNDP, Mr. Kemal Dervis and informal consultations (Thursday, June 21, 2007 at 3pm)
Delivering as one at country level ï Briefing by the Director of the Development Group Office, Mrs. Sally Fegan-Wyles and informal consultations (Friday, August 3, 2007 at 3pm)

2) Humanitarian issues and recovery ï Briefing by the Under Secretary General, Sir John Holmes and informal consultations (Wednesday, June 20, 2007 at 3pm)

3) Environment ï Briefing by the Director of the UNEP Liaison Office in New York, Mrs. Juanita Castano and the Director of the Bureau for Development Policy, UNDP, Mr. Olav Kjorven and informal consultations (Friday, August 14, 2007 at 10am)

4) Human rights ï Briefing by the High Commissioner for Human Rigths, Mrs. Louise Arbour and informal consultations (Tuesday, July 24, 2007 at 11am)

5) Gender ï Briefing by the Deputy Secretary General, Mrs. Asha-Rose Migiro and informal consultations (Thursday, June 21, 2007 at 10am)

6) Governance and institutional reform - Informal consultations (Friday, June 22, 2007 at 3pm)

7) Funding - Briefing by the Director of the Development Group Office, Mrs. Sally Fegan-Wyles and informal consultations (Friday, August 3, 2007 at 3pm)

8) Business practices ï Briefing by the Director of the Accounts Division, Mr. Jayantilal M. Karia and informal consultations (Thursday, June 28, 2007 at 3pm)

ANNEX C – List of Abbreviations

CEB	Chief Executive Board
CERF	Central Emergency Response Fund
DSG	Deputy Secretary-General
ECOSOC	Economic and Social Council
ERC	Emergency Relief Coordinator
FAO	Food and Agriculture Organization
GA	General Assembly
HLCM	High-level Committee on Management
HLP Report	High-level Panel Report on System Wide Coherence
IASC	Inter-Agency Standing Committee (for the coordination of humanitarian assistance)
IFAD	International Fund for Agricultural Development
ILO	International Labor Organization
ISDR	International Strategy for Disaster Reduction
OCHA	Office for the Coordination of Humanitarian Affairs
PGA	President of the General Assembly
SG	Secretary-General
TCPR	Triennial Comprehensive Policy Review
UNDG	United Nations Development Programme
UNDP	United Nations Development Group
UNHCR	Office of the United Nations High Commissioner for Refugees
USG	Under Secretary General
WFP	World Food Programme
WTO	World Trade Organization
UN	United Nations

PERMANENT MISSION OF THE
UNITED REPUBLIC OF TANZANIA TO THE
UNITED NATIONS
201 EAST 42ND STREET, SUITE #1700
NEW YORK NY 10017
TEL: 1-212-972-9160
FAX: 1-212-682-5232

PERMANENT MISSION OF
IRELAND TO THE
UNITED NATIONS
1 DAG HAMMARSKJÖLD PLAZA
885 SECOND AVENUE, 19TH FLOOR
NEW YORK NY 10017
TEL: 1-212-421-6934
FAX: 1-212-752-4726

COPY

21 July, 2008

H.E. Mr. Srgjan Kerim
President of the General Assembly
of the United Nations

Excellency,

System-wide Coherence: Report of the Co-chairs

When you appointed us this past January to co-chair the informal consultations on System-wide Coherence in the 62nd Session of the Assembly, you asked that we report to you in mid-year. Our report accompanies the present letter.

As you know, the Secretary-General will very shortly be sending to you a Paper on the Gender issue in its institutional dimension further to the request of the broad membership that emerged from the informal plenary consultations held on 16 June.

We suggest that the Co-chairs' report and the Secretary-General's Paper on Gender be viewed together. In this way they present the member States with a whole picture. We anticipate a need for substantive consideration of the Gender Paper by member States in an informal plenary consultation very soon after the Summer break, that is before the Assembly might move in the time remaining to decision-making mode.

We are naturally at your disposal through to the conclusion of the Session in September, including should you so wish, to help facilitate overall decision-making by the Assembly. We are hopeful that the Assembly will reach an agreed outcome.

Thank you again for the honour that you have conferred on us personally and on our countries in assigning to us co-chairmanship of such an important dimension of the Assembly's work to reform and renew the United Nations.

Please accept the continued assurance of our highest consideration and respect.

A. Mahiga

Ambassador Augustine Mahiga
Permanent Representative of the
United Republic of Tanzania

P Kavanagh

Ambassador Paul Kavanagh
Permanent Representative
of Ireland

Contents Page

I. Introduction and Overview.....1

II. Work of the Co-Chairs in the 62nd Session of the General Assembly.....4

III. 'Delivering as One' – Greater UN System Coherence at Country Level.....7

i) The Co-Chairs' Visits to Countries which apply Coherence at Country Level.....9
ii) Comparative Advantage of the Funds, Programmes and Specialised Agencies.....9
iii) Perceptions in the General Assembly of Progress to Date.....11
iv) The Situation of Middle Income Developing Countries.....16
v) Monitoring and Evaluation.....18
vi) 'Delivering as One' and the Harmonisation of Business Practices.....19

IV. Funding for Coherence at Global and Country Level.....20

V. Governance Aspects.....22

i) Overview.....22
ii) Relationship between the UN and the Bretton Woods Institutions.....24

VI. Gender Equality and Women's Empowerment.....26

VII. Environment, Humanitarian Assistance and Human Rights.....27

i) *Overview*.....27
ii) Environment.....28
iii) Humanitarian Assistance.....28
iv) Human Rights.....29

VIII. Conclusions / Recommendations.....31

Annex 1: Maputo Declaration of Pilot and other Countries which are applying 'Delivering as One' at country level, 23 May, 2008

I. Introduction and Overview

1. In January 2008, the President of the 62nd Session of the United Nations General Assembly H.E. Dr. Srgjan Kerim appointed us as Co-Chairs for the Assembly's consultations on System-wide Coherence. These consultations had begun in the 61st Session under the distinguished stewardship of the Permanent Representatives of Barbados and Luxembourg, H.E. Ambassador Christopher F. Hackett and H.E. Ambassador Jean-Marc Hoscheit.

2. In appointing us to carry forward this process, the President underlined the importance of making concrete progress on System-wide Coherence during the current Session. He suggested that, through a series of consultations, the Co-Chairs should work towards an agreement on the modalities for implementing greater coherence across the United Nations development activities System. This would include making a thorough assessment of the progress made so far, in particular the implementation of the 'One United Nations' pilot projects, as well as obstacles encountered and opportunities for further implementation. The present report responds to the request of the President that we revert to him in mid-2008.

3. The Assembly's consultations on System-wide Coherence had gotten underway in 2007 as a response to the November 2006 Report of the High Level Panel (HLP)[1]. The landmark Panel Report, its many strong points notwithstanding, had received a mixed reception in the Assembly due not least to its timing and its context. It proved difficult for the Assembly to make headway during the 61st Session.

4. The move towards greater coherence and effectiveness across the United Nations System in fact long pre-dates the High Level Panel Report. A drive for greater coherence has been a feature of numerous, seminal resolutions of the General Assembly including the Triennial Comprehensive Policy Reviews (TCPRs) of 2001, 2004 and 2007. It is through the TCPR instrument that the Assembly has, by consensus, given overarching policy guidance to the development System of the United Nations. At the World Summit of 2005[2], the member States made clear once again by consensus at the highest levels of State and Government their commitment to the achievement of the Millennium Development Goals (MDGs) and other internationally agreed development goals (IADGs). The Summit committed the membership to implementing operational reforms, aiming at a more effective, efficient, coherent, coordinated and better-performing United Nations System.

5. In other words, the effort towards greater coherence and effectiveness in the System did not begin with the High Level Panel. The latter's Report of November 2006 represents an important contribution to long-standing and continuing efforts in the Assembly to implement greater coherence across the System. With this in mind, it would not be an optimal follow-up, in our view, for each succeeding Session of the General Assembly to begin its work by exhaustively reviewing seriatim the current status of each and every recommendation contained in the High Level Panel Report. We would suggest, instead, that the Assembly, in this framework of System-wide

[1] A/61/583 – Report of the High Level Panel on System-wide Coherence
[2] A/RES/60/1 – 2005 World Summit Outcome

Coherence, now take charge of the High Level Panel Report, select and address those areas of it which the broad membership wishes to pursue as a matter of priority, and set aside from these particular inter-governmental consultations those elements of the Panel Report which are already being vigorously addressed in other contexts. We believe that the consultations which we and our predecessors as Co-Chairs have undertaken may now facilitate the Assembly's reaching this point, by agreement, in the current Session.

6. In numerous developing countries we have undertaken consultations with the Heads of State and Government, Cabinet Ministers, Regional Presidents, Parliamentarians, Civil Society representatives and Development Partners etc. What we gleaned more than anything else from these exchanges is a great sense of urgency, immediacy even. Those whom we have met in developing countries and who are politically and managerially responsible for addressing serious and pressing challenges of economic and social development are eager, indeed impatient to have a United Nations Development System that is more efficient, more coherent, and therefore, more effective in meeting the needs of their peoples, in line with their own national strategies.

7. By at least one significant index, the United Nations development System has, however, been in steady decline over a period of decades. Proportionately less and less development funding is being channelled through the UN System. In none of the many developing countries which we visited were the UN Country Team of Funds, Programmes and Specialised Agencies responsible for more than 5% or 6% of total Overseas Development Assistance (ODA) going into that country. Developing countries and their development partners alike know when a System is delivering well and when it needs to do much better. A more efficient, coherent and effective United Nations development System may arrest and reverse this historic trend. A UN System that fails to adapt further will have great difficulty doing so.

8. Nonetheless, following half a year of intensive consultations, the news we bring is, to a significant degree, good. The need for a more coherent and better performing UN System is increasingly recognised in the face of pressing global challenges, including climate change, communicable diseases, food insecurity, the effects and opportunities of globalisation, etc. Member States want to see a UN System that is strong, relevant, capable and integrated – one that preserves the highly valuable strengths assembled over decades and that builds on these. This positive vision for the future is widely shared across all regional groups of States.

9. Since the beginning of 2007, a concerted effort has been made on a voluntary basis by eight self-selecting 'pilot' developing countries in partnership with the UN System's Team of Representatives in those countries, to pioneer a new approach, 'Delivering as One' that will make the performance of the UN development System on the ground more efficient, more coherent and therefore more effective. These countries are Albania, Cape Verde, Mozambique, Pakistan, Rwanda, Tanzania, Uruguay and Viet Nam.

10. The 'Delivering as One' approach, despite remaining challenges, is making significant headway at country level. The developing countries concerned, which currently occupy quite different stages of development, are saying so loud and clear. A large and growing number of other developing countries are coming forward, for their own very good reasons, to embrace the new approach, even if there are no plans for formal designation of new 'pilot' countries as such. Some programme countries which begin a new UNDAF cycle this year have chosen voluntarily to implement aspects of 'Delivering as One'.

11. We have been told by many UN Agency Heads that the atmosphere in the Chief Executive's Board (CEB) of senior management across the System under the committed chairmanship of the Secretary-General has been transformed for the better over recent years. Far beyond the confines of System-wide Coherence, a more coherent and effective approach is increasingly in evidence. For example, in April, the CEB, within its own prerogatives, adopted a far-reaching package of steps to harmonise business practices across the UN System, in response to the 2007 consensus TCPR resolution of the General Assembly (A/RES/62/208). It is their commendable intention to carry forward expeditiously implementation of this long overdue package.

12. The present report will not stray into the overall discussion on global levels of Overseas Development Aid (ODA) since this matter is being addressed in a different facilitation process within the General Assembly with a view to the Doha meeting on Financing for Development that will take place in December 2008. Nevertheless, and having regard to the matter of funding for operational activities in the United Nations System, - in particular those being pursued in the framework of 'Delivering as One' – we believe that a meeting of minds can be reached in the Assembly during the current Session on significant aspects of Funding.

13. By the same token and while discussion will have to be enlarged and deepened in the coming, 63rd Session in light of emerging developments on the ground, we have been encouraged to believe that member States ought to be able to reach a meeting of minds on some aspects of Governance in the System-wide Coherence context.

14. Finally, as regards Gender Equality and the Empowerment of Women, - and emerging from open, transparent and inclusive discussions in informal plenary – we believe that with the dedicated assistance of the Deputy Secretary-General and her colleagues, it ought to be possible for the Assembly in the current, 62nd Session to make a conceptual breakthrough by pointing the direction it wishes to take in changing the institutional architecture of the UN System. The ultimate objective would be to improve delivery by the System of the many important and pressing mandates which member States together have conferred on it.

15. We will take up each of these areas in detail in the present report. While citing progress already achieved and in prospect, we will not downplay the many challenges which remain fully to be addressed. A closing section is entitled 'Conclusions and Recommendations'.

II. Work of the Co-Chairs in the 62nd Session of the General Assembly

16. When taking up our task as Co-Chairs in January 2008, the General Assembly already had the benefits of the significant work which had been undertaken prior to our appointment, including the previous, comprehensive consultations chaired by the Ambassadors of Barbados and Luxembourg.

17. Over a period of many months during 2007, the Co-Chairs in the 61st Session arranged nine informal plenary consultations and briefings, open to the entire membership, to discuss the many and complex recommendations of the 2006 High Level Panel Report. These extensive consultations with the full membership gathered the recommendations of the Report under eight headings or general topics, viz. : a)'Delivering as One' at country level; b) humanitarian issues and recovery; c) environment; d) gender; e) human rights; f) governance and institutional reform; h) funding; and i) business practices.

18. Our predecessors mapped the various issues raised in the Panel's Report and its recommendations as well as the views of the member States thereon. Due, however, to the great number and far-reaching nature of the Panel's recommendations, the General Assembly in its 61st Session was unable to reach an agreement, within the context of these consultations.

19. The President of the General Assembly asked us to continue consultations, during the 62nd Session of the Assembly in a more focussed manner, so that areas which the broad membership deemed to be important priorities might be identified and advanced. It was felt that the debate could be re-focussed and that the General Assembly might be able to move towards further agreement on the modalities for implementing coherence in the development activities system.

20. From the outset, we detected a broadly held view that it was in the interests of no concerned party, and, indeed, that it would be detrimental to the interests of the United Nations itself and of the peoples whom it serves, if the Assembly were to emerge at the end of a second successive Session of discussions without having given its own views. Important developments have been taking place on the ground. We have believed from the outset that the Assembly should be in a position to express itself and to exert its influence on these developments.

21. On 7 February 2008, in the first, informal plenary consultations of the 62nd Session, the broad membership accepted the overall approach which we, as Co-Chairs, proposed we should take to our work during the Session. This approach had been informed by our prior discussions with the Assembly President and we were gratified that it was straight away acceptable to the broad membership. In the intervening months we have consistently abided by this agreed approach whilst engaging fully with the membership throughout.

22. As Co-Chairs, therefore, we have taken an empirical, bottom-up and pragmatic approach to the subjects under discussion. The broad membership accepted that this path afforded the most feasible and practical way to move forward.

23. It was acknowledged from the outset that as a practical proposition it would be extremely difficult to seek to move ahead simultaneously on each and every aspect of the 2006 High Level Panel Report. The breadth, depth and not least the great number of recommendations contained in that Report led to this view, which was also sustained by any fair reading of the work of the previous Session of the Assembly.

24. At the same time, we were fully aware that there had been, amongst the member States, a widely shared reluctance to address the issues raised in the Panel's Report on a selective basis. There was a residual apprehension that such selectivity might respond exclusively or preponderantly to priorities which had been voiced from just one part of the membership.

25. Nonetheless, the broad membership shared our view that if the Assembly as a whole were to be able to agree on how to move the process forward, then our consultations would need to be focussed and targeted more tightly than on every single issue. It was acknowledged that we should point towards a middle-ground where the major concerns of member States were addressed in a balanced and fair manner. We underlined that there would be no fixed agendas, no a priori considerations and no faits accomplis in the course of our consultations. In this connection, we requested and were gratified to receive the trust of the broad membership.

26. As Co-Chairs, we undertook from the outset to focus on those areas which would be flagged to us in open informal plenary consultations as being of priority interest for broad areas of the membership. In this way, the report that we would ultimately present to the Assembly President would aim to sit well with all parts of the General Assembly Hall, since all areas of the membership would recognise many of their priority concerns in it.

27. We were, of course, aware that a significant number of member States were of the view that no decision could be reached by the Assembly concerning System-wide Coherence until all aspects of the High Level Panel Report had been comprehensively discussed and that only then could a single decision be made relating to the Panel Report in its entirety. Members holding this view at the same time signalled from the outset a degree of flexibility in their approach, in that they were prepared to revisit it in light of the ongoing consultations, which would proceed under our Co-Chairmanship.

28. Against this background and already at the first informal plenary consultations on 7 February, the broad membership enabled us to identify and announce the following main priority areas, drawn from the host of issues raised in the High Level Panel's Report:

- UN 'Delivering as One' at country level and the related area of Harmonisation of Business Practices;
- Funding;
- Governance; and
- Gender Equality and the Empowerment of Women.

29. In any event, as Co-Chairs we were keen to bring squarely before the Assembly numerous and significant developments in regard to 'Delivering as One' which were already underway on the ground in a large number of developing countries. By the same token, we were anxious for the Assembly to be fully apprised of important progress in regard to Harmonisation of Business Practices, which the Secretary-General and his colleagues were achieving, within their own prerogatives, in the Chief Executives Board (CEB) of the System.

30. During the current, 62nd Session, the Assembly has, to date, had open informal plenary consultations, or briefings on System-wide Coherence as follows:

Initial Consultation	7 February
UN 'Delivering as One'	28 March
Funding	7 April
Briefing on Role of an Empowered Resident Coordinator	17 April
Governance	17 April
Gender Equality and Women's Empowerment	16 May
Briefing on Business Practices Harmonisation	13 June
Gender Equality and Women's Empowerment (contd)	16 June

Thus, through the excellent work undertaken by our predecessors and the series of informal plenary consultations this year, the member States will have thoroughly reviewed all aspects of the 2006 High Level Panel Report.

31. In each of these informal plenary consultations we made opening and closing statements. The latter sought to draw the principal points from the discussion of the day. All of our statements were circulated at the time, by the President of the General Assembly, to the entire membership. They may be found on the Official website of the President of the 62nd Session of the General Assembly, H.E. Dr. Srgjan Kerim, (http://www.un.org/ga/president/62/issues/swc.shtml).

32. Throughout our tenure as Co-Chairs we have been entirely at the disposal of member States. In line with our open and transparent approach, we have consulted both in open informal plenary, bilateral and plurilateral consultations with the broad membership of the UN. We also consulted with the President of the General Assembly, H.E. Dr. Srgjan Kerim, H.E. the Deputy Secretary-General Migiro and the previous Co-Chairs. We visited seven of the eight pilot countries (Albania, Cape Verde, Mozambique, Rwanda, Tanzania, Uruguay, Viet Nam) and Malawi which is implementing the 'Delivering as One' reform without having been a designated a pilot. We visited, and were generously received by, Heads of United Nations Funds, Programmes and Specialised Agencies in New York, Paris, Rome, Vienna and Geneva to ascertain their views on the various aspects of System-wide Coherence and we have shared these views with the membership. We conferred with senior management at the World Bank and the International Monetary Fund in Washington D.C. We sought, as we hope this report will make clear, to provide the membership with as much information as possible about all the various developments in relation to System-wide Coherence so that any decision which they may wish to take on the matter would be on an informed basis.

33. Broad sections of the membership have consistently signalled to us that many of the recommendations contained in the 2006 Panel Report, specifically in the areas of Environment, Humanitarian Assistance and Human Rights were being addressed energetically in other related fora. Accordingly, these were not identified as necessitating in-depth discussion or action within the inter-governmental discussions on System-wide Coherence. The Co-Chairs share the view that it would be a mistaken approach to become entrenched in the structure and contents of the 2006 High Level Panel Report. Instead, the Panel Report should be dealt with pragmatically, not least because many of the issues are indeed being addressed in other fora.

34. The main body of the present report will address each of the four priority areas which have been consistently underlined by the broad membership, viz.

- UN 'Delivering as One' at country level and the related area of Harmonisation of Business Practices;
- Funding;
- Governance; and
- Gender Equality and Women's Empowerment.

35. The present report needs to be read in conjunction with the accompanying paper on Gender in its institutional dimension which is being provided to the Assembly President by the Deputy Secretary-General in response to the request of the member States that was agreed in open, informal plenary consultations on 16 June 2008. This report and the Deputy Secretary-General's paper, in combination, present a whole picture to the membership.

36. As indicated already, the present report will recommend that the Assembly during the current, 62nd Session select and act upon those priority areas which need specifically to be addressed in these continuing discussions on System-wide Coherence, whilst setting aside from these discussions other issues raised by the Panel and which are being pursued elsewhere.

III. 'Delivering as One' – Greater UN System Coherence at Country Level

37. The centre piece of the High Level Panel's recommendations related to the work of the United Nations at country level, which had already been legislated by the General Assembly through various TCPR Resolutions. Those past decisions as well as the most recent TCPR (62/208) have led to a number of reforms including, inter alia, the widespread use of a single UN building and common services, the establishment and the improvement of the single United Nations Development Assistance Framework (UNDAF) and elements to improve the Resident Coordinator system etc. Before the High Level Panel Report, several countries had already taken the initiative to move ahead with reforms. Cape Verde for example had adopted a One Joint Office approach in January 2006, in response to the TCPR Resolution of 2004 (59/250) which called for the establishment of joint office models. Similarly, Vietnam's UN Country Team had already moved towards a single country programme, also on the basis of the TCPR Resolution of 2004 (59/250).

38. The High Level Panel sought to build on this and to address further the fragmented work of the UN at country level, by proposing that the Funds, Programmes and Specialised Agencies of the United Nations further their collaboration and 'Deliver as One' in support of the national priorities of the national governments concerned. In order to achieve this, the Panel proposed a framework of four Ones: One Programme, which is focused on, and aligned with national priorities; One Leader, the Resident Coordinator who would lead an empowered country team; One Budgetary Framework which can provide funding for the One Programme; and, where appropriate, One Office where all the UN agencies can be located, to save money on operational costs and decrease other transaction costs. The One Office would also develop common services. As an increasing number of developing countries implement these four principles, they are tailoring them to their own needs. Some countries have added a 'fifth One' – Communicating as One, exhibiting once again that even in implementing 'Delivering as One' the principle of 'No One Size Fits All' is evident.

39. The Panel suggested that 'pilot' countries be designated to test this new method of work, to establish whether it would indeed result in stronger, better-performing United Nations on the ground. The countries which opted to act as pilots in coherence[3] began their work in January 2007. At the time of our appointment as Co-Chairs in January 2008 they had just completed a first year. Their primary focus in the initial year or so has been on putting in place the necessary structures and processes for implementation of this new approach, aligning the UN's development work with national frameworks and government priorities in each of the eight pilot countries. 2008 is the year of implementation and the UN Country Teams are working closely with their government counterparts to ensure that the 'Delivering as One' reform will live up to expectations. This approach is increasingly being applied by other developing countries which were not specifically designated pilots. Indeed, to varying degrees upwards of thirty developing countries are now implementing elements of this approach.

40. The new approach has brought significant and ground-breaking changes to traditional methods of work. It involved the agreement of One Programmes which were jointly prepared by the individual Governments concerned and the UN Country Teams. Drawing up these One Programmes involved taking the national priorities and identifying where the individual skill assets, knowledge and other resources of organisations, including non-resident agencies, in the UN system could best be brought to bear in supporting these priorities. It necessitated establishing One Funding mechanisms which pool additional extrabudgetary resources for the UN System at country-level to fund the unfunded gaps in the One Programmes. These mechanisms afford, for the first time ever to some of the Governments concerned, a comprehensive picture of the scope of assistance provided to their countries by the UN System. This allows Governments to exercise national leadership in the identification of priorities for UN support. They also are decreasing fragmentation, duplication and internal competition for resources among UN Funds, Programmes and Specialised Agencies.

[3] Albania, Cape Verde, Mozambique, Pakistan Rwanda, Tanzania, Uruguay, Viet Nam.

41. The reform also established, in the countries concerned, 'One Leader' for the UN family at country level in the form of the Resident Coordinator. This empowered leader leads an empowered country team. S/he has been authorised to negotiate the One Programme with the host government and to shape the related allocation of funding, while being subject to a clear accountability framework and effective oversight mechanism and with authority in turn to hold members of the UN Country Team accountable.

42. Finally, One Office arrangements, where appropriate, should bring the UN family together both physically in One Office space and virtually through the harmonisation of business practices such as communications, information technology as well as the harmonisation of common services. This should increase efficiencies, decrease transaction costs and produce savings which in turn should be spent on programmatic development work.

i) The Co-Chairs' Visits to Countries which apply Coherence at Country Level

43. As Co-Chairs and over a period of months, we have visited seven of the eight 'pilot' countries including Albania, Cape Verde, Mozambique, Rwanda, Tanzania, Viet Nam and Uruguay. We also visited Malawi, one of the first of many other countries which have embraced the 'Delivering as One' approach.

44. In each of the countries we visited, we normally conferred in detail with the Heads of State or Government, Minister for Foreign Affairs, coordinating Ministers and Ministers having line or sectoral responsibilities, as well as autonomous regional leaderships, parliamentary leaders, the Resident Coordinator and United Nations Country Teams, Development Partners and representatives of Civil Society, etc. The high level of engagement on the part of the host governments reflected a universal interest in the work of the Assembly concerning 'Delivering as One'.

45. We were repeatedly struck by the great sense of urgency on the part of political leaders and senior officials in these developing countries as they address their pressing development challenges. Frequently, we sensed a desire on their part that the General Assembly develop a similar sense in finding a way for the UN to deliver development assistance more efficiently, more coherently and more effectively.

ii) Comparative Advantage of the Funds, Programmes and Specialised Agencies

46. In the course of our Co-Chairmanship, we also visited Heads of Funds, Programmes and Specialised Agencies in Geneva, New York, Paris, Rome and Vienna. During our meetings the Agency Heads acknowledged a need for a consistent, positive message to be imparted by the various Headquarters in the System, at all levels, to country and regional representatives concerning the advancement of 'Delivering as One' and a One Programme effort that is aligned to the priorities of programme developing countries themselves in observance of the principle of national ownership. They also acknowledged that a new sense of momentum and collaboration is evident among the various parts of the UN System as

the advantages of a more coherent, effective and efficient UN at country level become apparent. Indeed, they themselves have contributed to this sense of momentum.

47. We were keen to convey to Agency Heads the view of member States from the outset; that 'Delivering as One' cannot be about attempting to create 'One Single UN', but rather it must be about maintaining the diverse and vitally important capacities of the individual Funds, Programmes and Specialised Agencies while at the same time harnessing these capacities so that they can 'Deliver as One' in a more efficient, coordinated, coherent and effective manner. Indeed, the Funds, Programmes and Specialised Agencies represent an enormous asset for the international community and are at the core of the UN's contribution to development work. Any reform of the UN to make it more coherent must not sacrifice this wealth of diverse knowledge and expertise.

48. At the same time, the 'Delivering as One' approach will, ultimately, have implications and result in changes for the work of individual Funds, Programmes and Specialised Agencies on a country by country basis – where duplication is found, agreement will need to be reached to eliminate it. Similarly, where gaps are found, agreement will have to be reached on which Fund, Programme or Specialised Agency can most suitably fill these gaps. These are all aspects which will need to be addressed by concerned entities at headquarters level. The High Level Panel Report envisaged that there should be greater clarity as to what tasks should be carried out by which part of the UN System with consequent withdrawal from, or foregoing of activity in areas where no comparative advantage could be identified. This task would appear to be an essential part of 'Delivering as One' at country level and its implementation should continue to be rolled out at country level.

49. We were encouraged during our visits to Heads of the Fund, Programme and Specialised Agency to be told of the establishment of an Advisory Group of some thirteen agency Principals, supported by Assistant Secretaries-General. This inter-agency group which meets at Headquarters level has been established to assist in furthering coherence among the Funds, Programmes and Specialised Agencies and in addressing and resolving any problems or challenges which present themselves in advancing the 'Delivering as One' process at country level.

50. During our exchanges with Heads of Funds, Programmes and Specialised Agencies in New York, Geneva, Rome, Paris and Vienna we were informed that the new, inter-agency Advisory Group had served as a useful mechanism to discuss and resolve issues in a collegial, informal and efficient manner. Many Heads of agency were greatly encouraged by the progress made among all stakeholders on establishing clarity of mandate and comparative advantage, as well as collaborating on mutual areas of interest and business practice harmonisation. While it is accepted that more work needs to be done in numerous other areas, including in strengthening the firewall (see below), many have reported a 'change of mindset' among the Funds, Programmes and Specialised Agencies as the advantages and benefits of 'Delivering as One' are becoming clearer.

iii) Perceptions in the General Assembly of Progress to Date

51. On 28 March, 2008 in open informal plenary consultations, the Assembly took up consideration of the issue of 'Delivering as One'. At that meeting a number of member States outlined some of the concerns which they had at the time in relation to 'Delivering as One'. They insisted that the process must be voluntary and led by national governments. They would be opposed to any particular development model being forced upon member States. Any changes which were envisaged must be entirely voluntary. They also underlined that under no circumstances could they accept any new 'conditionalities' being attached to the delivery of development assistance. They underlined that changes underway must not simply deliver a better working method for the UN development System but it must deliver better development results for the countries concerned. Furthermore, many member States insisted that 'Delivering as One' must not simply be a cost-cutting exercise. Nevertheless, and despite these concerns, there was consensus among States that the 2007 TCPR resolution provides significant guidance for the way forward for the General Assembly as a whole in relation to the UN Development System's work. At the close of these open consultations, as Co-Chairs, we drew a number of conclusions including a factual observation that the Assembly was simply not prepared to accept, much less endorse, new 'conditionalities' for the delivery of aid through the UN Development System.

52. Also, during the 28 March open consultation, each of the eight pilots as well as several other developing countries which are applying the 'Delivering as One' approach took the floor and briefed the Assembly on their experience to date. Two months later, at the end of May, the pilots and other countries held an inter-governmental seminar hosted by the Government of Mozambique, in Maputo. The seminar took place in accordance with paragraph 139 of the Assembly's consensus TCPR Resolution[4]. The participating developing countries adopted a Declaration giving their experience of the progress achieved to date in 'Delivering as One' as well as citing the challenges remaining. In this Maputo Declaration which has been circulated to UN member States in each of the six official languages of the United Nations the developing countries concerned formally request the General Assembly to encourage them in the path that they have voluntarily undertaken in embracing 'Delivering as One'. A copy of the Maputo Declaration is attached in Annex to the present report.

53. In brief, the declared experience of the developing countries directly concerned on the ground in implementing the 'Delivering as One' approach corresponds fully to the observations made by the Co-Chairs in their visits to these countries and in their engagement with the highest authorities there, as well as with the UN Country Teams, development partners and civil society. The same picture had emerged already in general terms in the Stocktaking Exercise regarding 'Delivering as One' which the Deputy Secretary-General undertook at the end of 2007. Progress so far on 'Delivering as One' is positive; it is in line with national priorities and development plans of the countries concerned ; it has enhanced government-leadership and national-ownership; it is respecting the 'No One Size Fits All' principle and is being tailored to the specific needs of the countries concerned. The Maputo Declaration

[4] A/61/208

also indicates that the 'Delivering as One' process has led to increased availability of the UN System's mandates and expertise to meet national plans and priorities, including through increased involvement of the UN's non-resident agencies. The approach has led to decreased transaction costs for the governments concerned. Also in this context, progress has been achieved in promoting a more unified UN System approach to programming and funding its support to countries, through the One Programme and One Budget. One of the problems with the previously fragmented UN System was the internal competition for resources among the Funds, Programmes and Specialised Agencies. Experience of the new paradigm points to a reduction in this competition as resources for the One Programme are managed in a transparent and effective manner through the One Budgetary Framework, with any gaps being funded through the One Fund, a pooled fund.

54. Nevertheless, it is clear that challenges remain in the way of full application of the 'Delivering as One'. Constraints remain in the way of full application of the 'Delivering as One' initiative. The Governments of developing countries concerned have outlined that the UN System at Headquarters levels needs to redouble its efforts to support the UN System representatives in the countries concerned in implementing the reforms. Headquarters levels need to support the empowered Resident Coordinator, accelerate harmonised business practices and adapt regulations which will accommodate this paradigm shift to a new, more coherent and effective method of working.

55. Among the main challenges arising from the One UN Programmes at country level is that of striking the right balance between, on the one hand an 'inclusive' approach that draws on all available and relevant UN System capacities and, on the other hand the need for strategic focus and prioritising of UN System activities. We believe that the principle of national ownership and leadership can be of decisive help in striking the coherent balance in a three way partnership involving the Governments concerned, the UN country team and the development partners.

56. Another issue highlighted to us was the need to include line or sectoral ministries more fully in the planning and decision-making processes in 'Delivering as One'.

57. Allocation of resources under the One Fund requires the Resident Coordinator to have ultimate authority where consensus in the UN Country Team cannot be reached. As it was put to us 'good people can disagree'. The vesting of such authority, by agreement of all concerned, in the Resident Coordinator represents a significant change in the manner of allocation of funds. Furthermore, the One Fund requires that development partners provide unearmarked funding to the UN's activities at country level, which may be a change in their traditional methods of work too. Once again, here, the progress can be facilitated by aligning with national priorities and leadership in a three-way partnership.

58. A number of member States were concerned that the programmatic functions of UNDP country representatives be segregated more effectively from those which are performed in Resident Coordinator mode on behalf of the entire System. Progress is being made in the so-called 'firewall', but further progress is needed. In answer to

concerns expressed by some member States, UNDP Representatives were able to offer a degree of reassurance as to the recruitment process for Resident Coordinators (not least regarding the number of non-UNDP appointees). At the same time, there remains a concern over the small proportion of appointees fro entities beyond the four core Boards comprising the so called "Ex Copm", viz. UNDP, UNICEF, UNFPA and WFP. Here too, progress is being made but more is needed.

59. Joint Programming is at the core of 'Delivering as One' at country level. During our visits to the pilot countries it became evident to us that the main focus of the UN Country Teams' work in the first year of the pilot process was on designing and finalising these Programmes in close collaboration with the Government and other stakeholders. In most pilots the One Programme makes up a portion of the traditional UN Development Assistance Framework (UNDAF) which latter reflects the total work of the UN System in-country; however Rwanda is an important exception among the pilots where the One Programme already makes up 100% of the UN's work there. The One Programme in Malawi (not a pilot per se) also makes up 100% of the UN's work in that country. Once again, we can observe differentiated and flexible application of the 'Delivering as One' approach in response to individual national circumstances and priorities.

60. The numerous advantages of the One Programme were outlined to us during our visits. It has increased UN Country Team partnership with the government and has aligned UN activities much more fully behind national priorities. The One Programme has reduced significantly the traditional burden and time on national administrations in developing countries caused by having to engage in a fragmented manner with a proliferation of UN entities. With national ownership as the starting point, we heard that developing countries themselves felt more empowered when dealing with a coherent UN Country Team than was the case with a fragmented System of powerful individual agencies which sometimes, in the past, had had the cumulative effect of overwhelming the State administrations concerned. The One Programme has also increased the involvement of non-resident agencies' expertise. Apart from the positive feedback from the pilot country Governments, UN Country Team members from right across the development System also told us that they had found the Joint Programming exercise beneficial as they now have a clearer picture of the areas of expertise that the other Funds, Programmes and Specialised Agencies bring to the UN Team.

61. As was acknowledged by the Governments concerned in the Maputo Declaration, any assessments made as of mid-2008 are interim in nature and a full picture of the benefits of, or challenges posed by 'Delivering as One' and One Programmes will only come once these One Programmes have been implemented to a much greater extent. We are half way through the second year, which is the first year of implementation. Nevertheless, the messages we are hearing are preponderantly positive.

62. Furthermore, it has been consistently been pointed out to us that for 'Delivering as One' to be successful there must be an empowered and able Resident Coordinator at the head of an empowered UN Country Team.

63. While all the pilots we visited had excellent Resident Coordinators and led Country Teams which were consistently hard-working, professional and committed to improving the UN's work in the country concerned, members of many Teams emphasised that the status quo relies too much on the personality of the Resident Coordinator and his/her colleagues. They noted that the role of the Resident Coordinator needs to be further institutionalised within the System, with the appropriate authority, resources and accountability framework. Codes of Conduct are being finalised at country level, but progress needs to be made in finalising a Code of Conduct at global level to consolidate and strengthen the Resident Coordinator role. Dispute resolution mechanisms also need to be strengthened at headquarters level.

64. Guidelines have been developed at headquarters level with the UN Development Group (UNDG). These indicate that the Resident Coordinator has ultimate decision-making power on budgetary matters when consensus agreement on issues cannot be reached. As Co-Chairs, however, we have heard in the course of our consultations that this is not always adhered to at country level. It is important that Guidelines which empower the Resident Coordinator as the head of the UN country team are supported and implemented across the System in order to maintain coherence.

65. It is important indeed as a general proposition that the role of Resident Coordinator should be fully supported by the Headquarters of the Funds, Programmes and Specialised Agencies of the UN System. In our meetings with Heads of the Funds, Programmes and Specialised Agencies we were encouraged that some of our interlocutors are introducing support for 'Delivering as One' and enhancing coherence in the UN among the performance evaluation indicators for relevant officials, including their regional and country level representatives. This is a significant positive step towards encouraging and rewarding those representatives at country level who are working to make the UN more coherent.

66. Another recommendation of the 2006 High Level Panel Report was the establishment of One Budgetary Framework for the One Country Programme, reflecting all contributions, which would not constitute a legal constraint on the spending authority of the Funds, Programmes and Specialised Agencies. It recommended that the development partners should increasingly pool their funding contributions at the country or headquarters levels. In countries where there is a One Country Programme in place, the Panel enjoined the development partners increasingly to refrain from funding country-level interventions which are outside that country's One Programme.

67. Generally speaking, the One Budgetary Frameworks at country level are in the early stages of operation in the pilot and other countries which are applying the 'Delivering as One' approach. It has been reported by several of these countries that the new approach has already attracted new and additional resources from development partners in support of the One UN programme in-country. UN Country Teams in such countries have underlined that the One Fund, as a funding mechanism for the One Programme, has decreased the need for individual agency resource mobilisation and has decreased inter-agency competition. They point out that the One Fund will allow the UN Country Team and the Resident Coordinator to focus on

programmatic work and make strategic choices for the use of funds. It is also expected that the One Budgetary Frameworks for a One Country Programme which is government-driven and in line with national priorities, by its very nature, can represent over time an attractive option that will continue to attract additional funding.

68. This has been echoed by the messages which we, as Co-Chairs, have heard from numerous development partners. These partners have indicated that they have committed funds to the One Programme, through the One Budgetary Framework, which are over and above their usual contributions to the UN System in a number of pilot and other countries. Some development partners are exploring with the national governments of concerned developing countries the possibility of including a section in their bilateral aid agreements providing support to the One UN Programme. This would ensure consistent, multi-year funding to these programmes. At the same time, and positive messages from some pilot and other countries notwithstanding, we have heard that other such countries have yet to attract adequate funding to sustain their One UN Programme. We have heard appeals, therefore, for those partners which support 'Delivering as One' to ensure that adequate and appropriate funding continues to be made available, so that this process is able to succeed.

69. There is a broad consensus among member States that the System-wide Coherence process should not be simply a 'cost-cutting' exercise. This has been underlined in the TCPR Resolution where member States called upon the United Nations Funds, Programmes and Specialised Agencies to ensure, to the extent possible, that savings resulting from reduction in transaction and overhead costs accrue to development programmes in programme countries. In this way as in others, 'Delivering as One' should deliver more.

70. The High Level Panel Report suggested that the reform savings should be channelled back into the System through mechanisms, such as an Empowerment Fund. As indicated elsewhere, there is in fact little or no appetite among member States for the creating of new inter-governmental mechanisms.

71. Member States have also generally expressed the view that savings would more usefully be redeployed into programmatic work in the country where the savings were made. This would provide direct gains for the country which had helped to realise the savings and could also provide a further incentive to reduce unnecessary and wasteful operational costs, for direct benefit to the development programme.

72. In our visits to the pilot Countries, as Co-Chairs, we were encouraged to see that savings generated through the implementation of 'Delivering as One' particularly the establishment of a One Office and related sharing of common services, have, in some cases, already been reinvested into programmatic work. This has occurred in Mozambique and Cape Verde. However, it has been pointed out to us that currently this practice is ad hoc and needs to be regularised and given structure. While there is recognition among the Funds, Programmes and Specialised Agencies that the member States would wish such savings, where possible, to be reinvested in the country concerned the necessary changes in statutes, regulations and auditing practices have yet to be made to make this possible.

73. Work ought to be advanced among the UN Funds, Programmes and Specialised Agencies at the Headquarters level to allow the UN Country Team, in close coordination with the concerned government, to identify the best ways and means in which operational, and to the extent possible, administrative savings can be ploughed back into programme budgets in-country, so as to implement the requests outlined in TCPR paragraphs 104b and 114. The necessary flexibility should be shown to respond to the progress achievable under 'Delivering as One' as well as to provide an incentive towards greater effectiveness.

74. Finally, in countries where the One Office arrangements have been implemented significant savings have already been realised. The One Office in Cape Verde released resources which were spent on training UN staff and Cape Verdeans. In its first year of existence, the One Office in Praia cost 25% less than the total separate cost of the participating offices in the preceding year. Similarly, the One Office plans in Mozambique have resulted in significant cost savings. The plan to create the first carbon neutral Green 'One UN' Office in Hanoi, Viet Nam will result in significant savings in energy and other costs and is expected to set a benchmark as the most environmentally friendly office building in the ASEAN Region.

iv) The Situation of Middle Income Developing Countries

75. The 'Delivering as One' reform concerns the response of the United Nations System to rapidly evolving dynamics in the international development environment. The ways in which multilateral aid is delivered are undergoing important changes. If 'Delivering as One' is to realise its full potential it must continue first and foremost to recognise the particular needs of developing countries themselves and continue to be guided by the principle of national ownership and leadership. By way of joint programming, etc. it must continue to align the System's multilateral activities to the priorities, strategies, policies and plans of those countries - through a three-way partnership embracing the authorities of the programme developing countries concerned, the UN family of agencies and the development partners, viz. "donors".

76. About half of all United Nations member States are now middle-income developing countries. Although the High Level Panel Report of 2006 did not address the challenges which are specific to middle income countries (MICs), the General Assembly expressly recognised their needs in its consensus resolution 17 of December 2007 embodying the Triennial Comprehensive Policy Review (TCPR) which gives operational guidance to the broad United Nations Development System for the period 2008 through 2010. The current TCPR recognises in particular that middle-income countries still face significant challenges in the area of poverty eradication and that efforts to address these challenges should be supported in order to ensure that achievements made to date are sustained, including through support to the effective development of comprehensive co-operation policies.

77. Of the eight pilots, Albania is a middle income country that is strongly focussed on realising its national objective of progressive integration with the European Union. Cape Verde has graduated to middle income status in the past year or so, whilst Vietnam is hoping to do so in the coming year or two. Uruguay is a longstanding

middle income country that in the mid-twentieth century had one of the best placed economies in the world. As indicated elsewhere, we were informed authoritatively by each of the four governments that the 'Delivering as One' process underway in their respective countries is respecting national ownership and leadership and is ensuring, to an unprecedented degree, alignment on the part of United Nations System development activities there with their own national priorities and plans.

78. We understand that the term "middle income country" was originally defined by the World Bank some three decades ago and was used to classify countries, based largely on Gross National Income (GNI), as part of the Bank's lending strategy. In our consultations with concerned States and other actors, we heard frequently about limitations on the usefulness and value of the term Middle Income Country in identifying and addressing the true development needs of such countries. These countries are often subject to critical vulnerabilities which affect their economies, institutions and societies at large. Many of them are particularly susceptible to dramatic external shocks from global and regional economic factors. While sometimes enjoying strong economic and social progress, they can be vulnerable also to sharp regression involving serious economic and social instability. Some of the middle income countries find themselves in such a state of vulnerability to external shocks that they regard themselves more as "borderline" countries.

79. In examining the challenges facing middle income countries further, the Co-Chairs noticed that middle income countries can be affected by high levels of poverty. For example, of the some 373 million inhabitants of South America – all of whose countries are in the middle income category – around 130 million are poor and of these in turn, approximately 89 million live in the five "upper middle income" countries of the continent, viz. Argentina, Brazil, Chile, Uruguay and Venezuela. The term "middle income" can have inadequate regard to such realities whilst at the same time underestimating structural and institutional weaknesses and gaps in capacity.

80. Those middle income countries which have embraced the 'Delivering as One' approach are very often focused on sustaining their engagement with the UN System and the development partners so as to strengthen, through policy advice and other instruments, their national capacities to address the very real challenges mentioned above and many more besides. We detect a widely shared view among the membership that there is a need for the UN development System to address, in a more coherent and dedicated manner, the problems that affect middle income countries and to put in place the necessary conceptual clarity and organisational arrangements. These countries call for the UN system to promote South/South cooperation more.

81. A sizable proportion of the many countries which are voluntarily stepping forward to embrace the 'Delivering as One' approach to coherence are in the middle income category. Through continued adherence to the principle of national ownership and leadership, the 'Delivering as One' process overall will therefore bring to light in the years ahead important experiences and lessons for addressing more effectively the needs of such countries. Consequently, it may be valuable for the independent evaluation of 'Delivering as One' which the TCPR has anticipated for late 2009 to focus at some length on the lessons learned in respect of middle income countries.

v) *Monitoring and Evaluation*

82. The 2007 Triennial Comprehensive Policy Review (TCPR) Resolution of the General Assembly foresees two levels of evaluation:

a) an evaluation by the 'programme country pilots' of their own experiences. These countries would also exchange their experiences. The Secretary-General has been encouraged by the Assembly to support the pilots in all of this with the support of the United Nations Evaluation Group (UNEG); and

b) in addition, the Assembly emphasises the need for an independent evaluation of lessons learned from the voluntary efforts to improve coherence, coordination and harmonisation in the United Nations development System, including at the request of some 'programme country pilots'. This independent evaluation will be for consideration by member States.

83. With regard to the first level of evaluation, (a) above, we met with representatives of the United Nations Evaluation Group(UNEG), in late May and were informed of the following. UNEG's work in this connection has concentrated on making sure that the necessary information systems, benchmarks and baselines are in place. To this end, it has undertaken a mission to the pilot countries and drawn up an 'evaluability report' on each one of them. These reports will be synthesised into a compilation report which will be posted on the UNEG website (http://www.uneval.org/) shortly. In the course of this exercise, UNEG was able to provide guidance to the governments of the countries concerned and to the UN Country Teams on the ground concerning monitoring and evaluation mechanisms. UNEG's guiding principles were that all monitoring and evaluation should take place in line with national priorities and be based on national monitoring and evaluation mechanisms, while adhering to the highest international standards.

84. The Maputo Declaration of 23 May 2008 issued by pilot and other countries which are applying the 'Delivering as One' approach underlines that the conduct of the first evaluation exercise at (a) above, is an effort to be jointly overseen by the countries concerned and the United Nations System.

85. The second level of evaluation, the independent evaluation that would come to member States for consideration (b) above), will focus on lessons learned in the 'Delivering as One' efforts overall. This is an exercise that can hardly reach completion before the end of 2009. One could imagine that an assessment of the processes involved might be achieved by then, but that it would take more time to evaluate definitively the development outcome of the 'Delivering as One' approach.

86. During the informal plenary consultations on 'Delivering as One' many member States stressed the need for the independent evaluation of 'Delivering as One' to be assuredly independent. Member States have also made clear that the 'Delivering as One' process should result in improved delivery of development assistance to the country concerned. It was stated that any final evaluation must address development results in order to provide a clear picture of the 'Delivering as One' reform and its

effects on the development process in-country. It was also stated that any evaluation or change at central level should not interfere or restrain the ability and sovereignty of national governments to undertake development work, in line with their national priorities.

87. For our part as Co-Chairs, we have expressed the view that if member States in the General Assembly are to sign off on the future independent evaluation of 'Delivering as One' that is foreseen in the TCPR, then the Assembly will as a practical matter need to be content, going forward, with the methodology and conduct of this evaluation. For this reason, we would suggest that early in the 63rd Session, the membership receive a first briefing in open informal plenary consultations on what is contemplated in that regard.

88. The Joint Inspection Unit (JIU) too has taken an interest in these matters.

vi) *'Delivering as One' and the Harmonisation of Business Practices*

89. At central level the work of harmonising the business practices of the UN System has been ongoing for many years in various fora. In the context of the Chief Executives Board (CEB), under the Chairmanship of the Secretary-General, these matters are assigned to the High Level Committee on Management (HLCM). This Committee leads the work in implementing the requirements of the General Assembly, through the Fifth Committee and other bodies, to harmonise business practices across the system. It is currently chaired by Ms Thoraya Obaid, Executive Director of UNFPA.

90. In April 2008 the CEB approved, within its own prerogatives, an extensive package of measures designed to harmonise business practices across the System. The package had been elaborated and agreed, System-wide in the High Level Committee on Management (HLCM). The package of measures is of an inter-disciplinary nature and covers all major management functions of United Nations System organizations including human resources, procurement, information & communication technology, finance and budget. The package would evolve to include projects that have not yet been developed, such as the creation of an independent System-wide capacity for evaluation and initiatives in the area of legal affairs. The aim of CEB members is to have some of the measures accomplished within nine months, with the most complex ones taking two to three years for completion.

91. In order to apprise the entire membership of the exact nature of the projects proposed we arranged for an open briefing session to take place on 13 June. Ms Obaid, as Chairwoman of the HLCM gave the briefing and was supported by Mr Adnan Amin, Director of the CEB. They provided a detailed written and oral explanation of the various aspects of the package. The General Assembly would benefit from further briefings from time to time on such aspects of the work of the CEB.

IV. Funding for Coherence at Global and Country Level

92. The 2006 High Level Panel Report recognised the need for increased and improved funding for the United Nations both at country and global level. Specifically, the Panel was of the view that "inadequate and unpredictable funding of the System also contributes to fragmentation, undermining the multilateral character of the United Nations. The exponential growth of extra-budgetary (non-core) versus core resources has encouraged supply-driven rather than demand-driven approaches to assistance, undermining the principle of country ownership. Lack of donor coordination and competition for non-core resources among United Nations agencies squander significant time and effort on fund-raising, undermining the ability of the United Nations to make long-term strategic decisions that would deliver more effective results.'

93. The General Assembly for its part, has recognised this in the TCPR Resolution of 2004 and again in the TCPR Resolution of December 2007. In a key consensus paragraph that brings together a number of crucial concepts, the latter 'emphasises that increasing financial contributions to the United Nations Development System is key to achieving the internationally agreed development goals, including the Millennium Development Goals, and in this regard recognizes the mutually reinforcing links between increased effectiveness, efficiency and coherence of the United Nations Development System, achieving concrete results in assisting developing countries to eradicate poverty and achieve sustained economic growth and sustainable development through operational activities for development and the overall resourcing of the United Nations Development System'.

94. This consensus position of the Assembly formed an important part of the context to our work as Co-Chairs. With the agreement of the broad membership we have not strayed into the macro-level debate concerning global spending on Overseas Development Assistance (ODA). This is being addressed in a separate, if parallel facilitation exercise in the Assembly under the leadership of the distinguished Permanent Representatives of Egypt and Norway. Essentially, for our part, we have focused on the Funding-related elements of the 2006 Panel Report.

95. The view in general among States is that sufficient, timely and predictable funding at the country level must be mirrored by sufficient, timely and predictable funding at global level. As the TCPR stressed, core resources, because of their untied nature, continue to be the bedrock of the operational activities for development of the United Nations System. It is of great concern to the broad membership that the share of core contributions to the UN Funds, Programmes and Specialised Agencies has declined in recent years. In all our consultations it has been clearly pointed out to us that core funding is essential to sustain the continued basic capacity of the UN System. Furthermore, increases in core funding must complement adequate funding of the UN's work at country level. There is a natural and understandable concern among Funds, Programmes and Specialised Agencies that funding of 'Delivering as One' must not be at the expense of core at global level. If we are to build a UN which is strong, flexible and efficient we need to ensure that it is adequately resourced, both at central level and at country level.

96. The 2007 consensus TCPR resolution urged the development partners and other countries in a position to do so to increase substantially their voluntary contributions to the core/regular budgets of the UN development system, in particular its Funds, Programmes and Specialised Agencies, and to contribute on a multi-year basis, in a sustained and predictable manner. At our open informal plenary consultations on 7 April, member States stressed the need for the fulfilment of all commitments in relation to funding of the UN System, including the need to address the current imbalance between core and non-core funding. While increased core funding can incentivise commitment to greater coherence, the UN System and development partners must ensure that there is neither the appearance nor reality of a pattern of funding which suggests that those developing countries which do not choose to participate in 'Delivering as One' are deliberately disadvantaged as a consequence. In this, as in other respects we are unable to visualise the Assembly countenancing arrangements which may be seen as amounting to 'new conditionalities' over the delivery of assistance through the United Nations Development System.

97. The High Level Panel also noted that the assessed contributions for the Specialised Agencies have not increased in years, which has left them having to rely on voluntary funding for core activities. This matter was also raised at our consultations on Funding where numerous member States supported a review of the assessed funding of the Specialised Agencies to enable them to continue their work on global norms and standards. They called for an assessment of whether the current policy of zero real growth is adequate. It would seem therefore important, if there is to be real incentive for the participation of all parts of the UN System in greater coherence, that this policy be re-examined in light of encouraging greater commitment to coherence and less reliance upon voluntary funding.

98. The 2006 Panel also recommended establishing a Millennium Development Goal Funding Mechanism, which would coordinate overall resource flows, enabling global oversight of funding available for contributions to the One Country Programme. However, in our consultations member States have generally felt that there was a lack of clarity concerning the need for such a fund and its specific implications. They were keen to stress that any new funding mechanisms should focus on funding all aspects of work that the UN is mandated to do, not simply the work relating to achievement of the Millennium Development Goals (MDGs). Let us recall once again that in line with the general views expressed, the membership are also keen to avoid the establishment of any new, overarching and additional mechanisms as these couldrisk simply adding new layers of process.

99. The membership may wish to declare anew much of the foregoing and continue consideration of the important issue of Funding, particularly in light of the outcome of the meetings of the Assembly related to the Millennium Development Goals scheduled for September, 2008.

V. Governance Aspects

i) Overview

100. The 2006 High Level Panel maintained that 'effective governance is at the core of coherence.' Improved Governance structures are central to the improved efficiency, coherence and effectiveness of the UN System. This is important at both the country level, where an empowered Resident Coordinator, at the head of an empowered UN Country Team, is critical to the Team's success, as well as at Headquarters level where existing governance and decision-making processes can be improved and may need to be adapted to deal with the new One Programmes which emerge from 'Delivering as One'.

101. Many member States have expressed concern at the short-term feasibility of the recommendations of the High Level Panel Report on Governance. In particular, many member States made the point that the specific changes envisaged by the Panel would have substantial implications for existing governing bodies and ECOSOC and would need careful consideration.

102. Many States felt it of crucial importance that the work at country level, which is government-led and aligned with national priorities should in no way be hindered by changes at central or headquarters level. Any changes at headquarters level should, on the contrary, enhance the UN development System's ability to support the developing countries in implementing their national priorities and assuring greater effectiveness in the delivery of UN programmes. Any changes at headquarters level must also be flexible, and accord with the reality that 'No One Size Fits all'.

103. Any approach that sought to design a new System of inter-governmental governance from the top-down would be unlikely to prosper. At the same time, an emerging new approach, embodying 'Delivering as One' at country level is being applied by a large and growing numbers of developing countries. Bottom-up, this process creates a need for suitably adapted headquarters and regional arrangements to which an emerging new paradigm at country level can relate and align.

104. It appears to us essential that an appropriate balance is to be struck between providing adequate intergovernmental oversight of the System's development priorities and objectives, while respecting the voluntary, nationally-led nature of the coherence process and the respective mandates of the Funds, Programmes and Specialised Agencies.

105. At central level, member States felt that the implementation of some of the recommendations of the 2006 Panel Report could result in duplication, given that the strengthened ECOSOC has established both the Annual Ministerial Review and the Development Cooperation Forum as high level fora for strategic guidance on sustainable development.

106. Specifically, while it is clear that the new and emerging 'One Programmes' will need to be dealt with effectively and efficiently at global level, the Panel's proposal for creating a Sustainable Development Board was felt by many to be duplicative. It

received little or no support. While the current arrangement, which sees One Country Programmes being tediously dismantled into their constituent parts and approved separately by the various Boards of the Funds, Programmes and Specialised Agencies is far from optimal, there was little support for the creation of a Sustainable Development Board to fill this role. Many member States felt that it could be more useful to adapt existing structures such as ECOSOC, perhaps in coordination segment or in the operational segment. The Annual Ministerial Review could provide an opportunity to discuss the progress in 'Delivering as One'. These options need to be discussed and explored in more detail by member States as the reality of the 'Delivering as One' programmes becomes evident.

107. Since the 2005 World Summit Outcome, work has been undertaken to strengthen ECOSOC, to enhance its capacity as the main policy-making body of the UN for economic and social development issues. The 2007 TCPR resolution also requested that the Secretary-General report on an annual basis to the ECOSOC on numerous aspects which relate to improving the efficiency and effectiveness of the UN. It requested that the Secretary-General report on the functioning, selection and training process of the Resident Coordinator system. It requested the executive boards and governing bodies of the United Nations Funds, Programmes and Specialised Agencies to assess the progress achieved including costs and benefits, in the area of simplification and harmonisation of United Nations development system at the global, regional and country levels. The governing bodies were also requested to analyse the potential impacts on development programming and report to ECOSOC on an annual basis.

108. At this year's substantive meeting of ECOSOC, the Maputo Declaration was presented to the member States at a side event hosted by the Government of Mozambique and was acknowledged in the resolution adopted by ECOSOC on the operational segment.

109. The work of the United Nations at regional level was not the subject of extensive discussion during our consultations on Governance. However, during our visits to developing countries, it was made clear to us that there is a need to clarify the role of regional level management and to encourage the latter to provide more support to the UN Country Teams on the ground as these advance a more coherent and more effective approach. It was felt that regional presences of the UN need to be streamlined and harmonised so that they can be utilised to their full advantage.

110. At the CEB meeting in late October the United Nations Development Group (UNDG) was officially incorporated into the Chief Executives Board. This group, which is chaired by the Development Coordinator, serves as the central coordinating mechanism for the United Nations operational work in development. It fulfils many of the roles envisaged by the Development Policy and Operations Group.

111. At its meeting in April 2008, the CEB incorporated into its structures a thirteen member Advisory Group at the level of Principals and Assistant Secretaries-General. This group has emerged from the much closer collaboration among Funds, Programmes and Specialised Agencies at Headquarters levels that had been necessitated by the evolving 'Delivering as One' arrangements at country level.

ii) Relationship between the UN and the Bretton Woods Institutions

112. There is broad consensus among member States that increased collaboration and coordination is needed between the United Nations System and the Bretton Woods Institutions. The High Level Panel Report of 2006 included this in its recommendations. The General Assembly called for this in its Triennial Comprehensive Policy Review (TCPR), 2007. The Assembly invited the United Nations System and the Bretton Woods Institutions to explore further ways to enhance cooperation, collaboration and coordination including through greater harmonisation of strategic frameworks, instruments, modalities and partnership arrangements, in full accordance with the priorities of the recipient Governments.

113. As Co-Chairs we visited the senior management of the World Bank and the International Monetary Fund in Washington D.C. in June 2008. At the World Bank we conferred with Ms Ngozi Okonjo-Iweala, Managing Director, while at the IMF we met with Mr Murilo Portugal, Deputy Managing Director. Both representatives were expressly supportive of further collaboration with the United Nations System both at country level and at global level, provided this is well-conceived, pragmatic and results-oriented.

114. Increased coherence, enhanced effectiveness and coordination, the elimination of duplication and overlap and alignment with national priorities are already important for all actors in development at country level, including the United Nations. Greater coherence and effectiveness on the part of the United Nations Development System will, in our assessment and on the basis of what we have heard, inevitably presage much closer collaboration and complementarity between the work of the System and that of the Bretton Woods Institutions. Furthermore, a more coherent and effective United Nations System can provide leadership among other development actors and be a more valuable partner for governments in advocating and leveraging additional resources to meet their national priorities. Mozambique cited to us its own positive experience in this regard.

115. The World Bank and the International Monetary Fund (where they are represented on the ground) are normally members of the UN Country Teams in all programme countries, even if they are less centrally engaged than the UN Funds, Programmes and Specialised Agencies. In the course of our visits to pilot countries we were struck in particular at the increased collaboration between the UN System's Country Team and the World Bank representative in Albania. There the Bank Representative, while promoting the Bank's own priorities, was described as a 'key member' of the UN Country Team. The Bank and the UN are working together with the Government of Albania on numerous projects in that country. While we did not see widespread, increased collaboration in the other countries we visited, in many places members of the UN Country Team pointed to the potential which exists in this direction as the 'Delivering as One' process develops further. In Tanzania there has been discussion about the World Bank representative having access to the One Office of the UN Country Team on a cost-sharing basis. Some of the UN agencies already have highly developed country and regional level collaboration with the Bank, in particular. The Bretton Woods Institutions naturally tend to embrace the UN System

expertise and experience, the more that peace, security and stability considerations come into play. As Co-Chairs, we understand that the United Nations and World Bank are developing partnership documents, designed to institutionalize principles of collaboration, consolidate gains and further strengthen the relationship in a number of critical areas. These documents include a UN-World Bank partnership framework on crisis and post crisis collaboration, a UNDG-World Bank operational partnership note, and a UNDG-World Bank fiduciary framework.

116. We look forward to more progress in this regard and hope that the World Bank and the International Monetary Fund will encourage their representatives at country level to engage even more with an evolving UN Development System, where this is likely to avert overlaps, increase synergies and – most importantly - benefit the developing countries concerned.

117. There is also broad acknowledgement that there should be increased collaboration between the Bretton Woods Institutions and the United Nations System at global level. Such increased collaboration is already being furthered in various different settings, including at the Chief Executives Board level (CEB). As one example, the CEB has recently established the Secretary-General's Task Force on Food Security to address the global food crisis. It brings together the relevant entities in the UN System with the full and active participation of the Bank and the Fund and the personal engagement of their leadership.

118. The relationship between the UN System and the World Bank and the International Monetary Fund will also be discussed at the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus which will be held in Doha, Qatar, from 29 November to 2 December 2008. Consequently, this overarching relationship is being addressed in the General Assembly facilitation which is chaired by the distinguished representatives of Egypt and Norway. These are all important and ongoing areas of increased collaboration with the Bretton Woods Institutions, although they are not necessarily directly related to the increased collaboration in the context of 'Delivering as One'.

119. Our approach as Co-Chairs on System-wide Coherence has all along been a pragmatic and 'bottom-up' one. We have eschewed any 'top-down' approach that might, for example, in this instance seek ab initio to re-draw institutional structures or significant inter-institutional relationships. However, desirable this may be, it hardly seems a practicable proposition at this time.

120. It will be clear, however, that there is considerable potential for closer engagement between the United Nations System and the Bretton Woods Institutions. Without doubt, there is a willingness on the part of the Bank and the Fund to engage on this basis more closely with the United Nations System in the field of development. During the 63rd Session of the General Assembly, it could be valuable to explore with the Bretton Woods Institutions the potential in this direction in a pragmatic and results-oriented manner. The more pragmatic and results-oriented such efforts are, the more likely they will be to register progress. It is essential that greater operational coherence and collaboration between an evolving United Nations

Development System and the Bretton Woods Institutions should be appropriately and indeed, optimally linked up with the policy coherence being pursued at global level.

VI. Gender Equality and Women's Empowerment

121. From the outset, Gender Equality and Women's Empowerment has been highlighted to us as Co-Chairs by member States from all regions as an issue of priority importance. It is an issue of high significance for all States. While it has central relevance to the UN's work in the field of development, it has much broader scope and impact – not least in the normative area – for all States, regardless of their stage of development. No member State of the United Nations can boast that it has fulfilled all of the agreed international targets and, therefore its own internationally-given commitments in regard to Gender Equality and Women's Empowerment.

122. At open informal plenary consultations held on 16 May 2008, a consensus among member States recognised the strong normative acquis of the United Nations System in relation to Gender Equality and Women's Empowerment. This is based, inter alia, on the United Nations Charter, Resolutions of the General Assembly, of ECOSOC and of the Security Council as well as the Beijing Declaration and Platform for Action, the Outcome Document for the Cairo Conference on Population and Development and the Convention on the Elimination of the Discrimination against Women. However, it was made equally clear by States and by the relevant parts of the United Nations System itself, that within the System there are gaps in coherence, authority, accountability and resources in addressing this important area and not least in assisting States to bridge the space between their international commitments and national performance in this area.

123. In order to get a clearer picture of the nature and extent of the gaps and overlaps in this key area of the System's work, the membership as a whole on 16 May requested that we ask the Secretary-General for a paper which would take account of the many views expressed by the member States and help them to pursue discussion on the substantive, programmatic aspects of Gender Equality and Women's Empowerment. This request was conveyed to the Secretary-General by the President of the General Assembly. In response, the Secretariat supplied a paper for the membership on 6 June. This brought into focus a shared analysis of the current situation as to the System's delivery on its many mandates in the area of Gender Equality and Women's Empowerment. It emerged from a collaborative exercise by various entities in the System under the leadership of the Deputy Secretary-General. It addressed the normative and operational aspects of Gender Equality and Women's Empowerment and the linkages between them. It reflected the strong sense among member States that the System suffered from important gaps in the areas of coordination and coherence, authority and positioning, accountability and human and financial resources. The paper formed a useful basis for a further discussion among the membership which took place on 16 June in the General Assembly.

124. In the informal plenary consultations of the Assembly held on 16 June, there was an unmistakeable and broad-based momentum to address further the manifest weaknesses of the United Nations System in relation to Gender Equality and Women's Empowerment. In light of this second, lengthy exchange of views and in order to facilitate further progress on how to improve and strengthen the institutional dimension of Gender, the broad membership agreed that we should request from the Secretary-General a further paper. This would present in a non-prescriptive manner a range of institutional options on how best to re-organise the Gender-related bodies in the System so that these might perform and deliver much more effectively than they do at present. As Co-Chairs, we specifically asked that this, further paper provide a comprehensive and comparative assessment of each of the institutional options it might posit and of their implications. It would need to take into account the questions and concerns raised by member States. It would help to give further focus to the Assembly's continuing discussions. Once again, this desire on the membership's part was conveyed to the Secretary-General by the President of the Assembly. It is anticipated that the institutional options paper will be in the hands of the member States at the same time as the present report, in the penultimate week of July.

125. The Gender Equality and Women's Empowerment aspect of System-wide Coherence has broad and indeed universal relevance to all member States. It is important to the matter of development, but it goes far beyond development in its scope. Generally speaking, the broad membership has been keen for the Assembly – before it enters decision-making mode in this, 62nd Session – to consider the issue of Gender alongside others which were highlighted by the 2006 High Level Panel Report.

126. The institutional options paper being provided by the Secretary-General, taken together with the present report, should complete the substantive picture for member States. With both these elements in hand, member States will be in a position to consider, in an intensive and expeditious manner and as from late August/ early September, how the Assembly may wish to move forward, in the current 62nd Session, on this issue of universal importance.

VII. Environment, Humanitarian Assistance and Human Rights

i) Overview

127. The 2006 High Level Panel Report included a large number of recommendations in the areas of humanitarian assistance, the environment and human rights - each of which is of central importance to the work of the United Nations as a whole.

128. At the same time, in our consultations with member States and other stakeholders we found little appetite or interest in prioritising specifically within these inter-governmental consultations on System-wide Coherence the issues of environment, humanitarian assistance and human rights. This is because some of the Panel's recommendations are being followed up in other contexts and fora, whilst others (not least some in the humanitarian area) are effectively implemented.

Moreover, it is clear to us as Co-Chairs that in refraining from prioritising particular issues in the System-wide Coherence context, some interested member States have sensed that the present framework may not be the most propitious or fruitful one in which to ventilate and seek for progress on the issues concerned.

129. In light of the considerations set out here, in order to facilitate a sharper focus on a number of priority issues and to avoid duplication and misdirection of effort, the Assembly appears ready definitively to set aside from this particular strand of inter-governmental consultations, viz. System-wide Coherence, the issues of environment/ environmental governance, humanitarian assistance and human rights. Naturally, all agreed mandates and programmes concerning the environment, humanitarian assistance and human rights remain fully in place and strong efforts will continue to have these faithfully implemented by all concerned.

ii) Environment

130. The High Level Panel recommended that issues concerning the environment, which is one of the pillars of sustainable development, should be streamlined and made more coherent. Its recommendations on the environment are largely being addressed in the context of the ongoing consultations on International Environmental Governance (IEG), under the Co-Chairmanship of the distinguished Permanent Representatives of Mexico and Switzerland, as well as in other active fora. A preponderant view among member States is that environment related aspects of the Panel's Report should for the most part continue to be discussed in the context of the IEG consultations and elsewhere. While, as Co-Chairs on System-wide Coherence consultations, we have not entered into detail on the environmental aspects of the Panel's report, this should not be taken to imply a view that environment-related work being carried out at country level should be excluded from the 'Delivering as One' process or from efforts at enhanced coherence. It is simply the case that no appetite is detectable among member States to pursue the Environment in the inter-governmental consultations on System-wide Coherence which we currently chair.

iii) Humanitarian Assistance

131. Similarly, there have also been recent reforms in the area of humanitarian and recovery work of the United Nations. The Office for the Coordination of Humanitarian Affairs (OCHA) reports that real progress has already been made in the implementation of the recommendations in the High Level Panel Report on humanitarian issues and recovery. This represents progress towards ensuring that there is one overall strategic framework for humanitarian response in a given country, in support of national efforts, as well as one agreed country-level monitoring and evaluation system.

132. The aim of these reforms is to improve the efficiency and cost-effectiveness of humanitarian programmes. Since 2006 the United Nations has launched a series of initiatives aiming to enhance the coordination of emergency humanitarian response. These have focussed on four areas: capacity and coordination at country level;

leadership; partnerships; and predictable and equitable humanitarian financing. Strengthening the leadership at country level has also been addressed with various initiatives to buttress the humanitarian coordinator role.

133. To strengthen partnerships and address the fragmentation highlighted in the Panel Report, the Global Humanitarian Platform (GHP) brings together United Nations and non-United Nations humanitarian organizations. The aim is to enhance the effectiveness and coordination of humanitarian assistance and to strengthen the capacity of local non-governmental organisations.

134. In relation to funding, the speed, equity, effectiveness and predictability of financial resources for humanitarian assistance have all been improved through the establishment of several funding mechanisms. These include 'pooled funds' such as the Central Emergency Response Fund (CERF) at the global level, which has 2008 pledges amounting to some $ 431.3 million, of which $414 million has been contributed as of mid-July. Other 'pooled funds' include the Common Humanitarian Funds (CHF) and the Emergency Response Funds (ERF) at country level. Complemented with a stronger consolidated and flash appeal process (CAP) that allows for the identification and prioritisation of humanitarian needs by all stakeholders, these funding mechanisms have been reported as being highly effective in facilitating rapid and needs-based humanitarian response.

135. As Co-Chairs, we are encouraged by the progress which has been and continues to be made in the Humanitarian area. Informed by our extensive consultations with the membership and given the progress which has been achieved on foot of the 2006 Panel's recommendations, our impression of the general view among member States is that the area of humanitarian assistance does not need to be pursued specifically in the context of System-wide Coherence. No doubt, in other contexts, the General Assembly would benefit from ongoing briefings and updates on progress that continues to be made in this regard.

iv) *Human Rights*

136. At the 2005 World Summit, Heads of State and Government affirmed strongly that peace and security, development and human rights are the three principal pillars of the United Nations System. In line with this recognition, in recent years significant work has been undertaken to strengthen the United Nations Human Rights System, including through the establishment of the Human Rights Council (HRC), even as the Third Committee of the General Assembly and other inter-governmental bodies continue to discharge their important functions.

137. The United Nations human rights architecture is comprehensive, encompassing the UN Charter-based organs and bodies, including the General Assembly, ECOSOC and, to a limited but growing degree, the Security Council as well as the Secretary-General and the Court. Here we must also include the Human Rights Council and the International Human Rights Treaty bodies made up of independent experts mandated to monitor States parties' compliance with their Treaty obligations, as well as the

international tribunals and, of course, the Office of the High Commissioner for Human Rights which provides leadership to the United Nations human rights efforts and provides technical assistance and other capacity building to member States and regional bodies in implementing human rights provisions and commitments

138. The Human Rights Council, which was established in 2006, is mandated by the Assembly to 'undertake a Universal Periodic Review, based on objective and reliable information, of the fulfilment by each member State of its human rights obligations and commitments in a manner which ensures universality of coverage and equal treatment with respect to all States'. This review, which reviews all countries, initially every four years, is intended to assist States in the fulfilment of their human rights obligations and commitments, assessing both the positive developments and the challenges faced. This augments the existing mechanisms of the International Human Rights Treaty Bodies, which examine the States' reports on implementation of the various human rights Treaties which they have ratified. In addition to the Universal Periodic Review of the Human Rights Council and the Treaty Bodies, the Office of the High Commissioner for Human Rights (OHCHR) provides technical assistance and other capacity-building to member States on mainstreaming and strengthening the promotion and protection of human rights.

139. In the course of our consultations with the Funds, Programmes and Specialised Agencies, we met with the Office of the High Commissioner for Human Rights in Geneva. They informed us of the many and detailed developments which have taken place in recent years in partnership with member States and the UN System to enhance and mainstream the promotion and protection of human rights.

140. As well as assisting the Human Rights Council and the Treaty bodies over the years, the Office has increased its presence at country and regional level in various ways. The number of its country offices has grown to eleven. In these countries and with the agreement of the governments concerned, the Office provides technical assistance, monitoring and reporting, as well as capacity development in addressing human rights issues. The OHCHR has also strengthened its regional offices, which play a crucial role in supporting human rights work in their respective regions and work closely with regional human rights bodies. Finally, the OHCHR has deployed numerous Human Rights Advisers to support UN Country Teams. These advisers assist the UN Resident Coordinator and the UN Country Team to work on strategies to build or strengthen the nation's capacities and institutions in promoting and protecting human rights. Mainstreaming of human rights is already underway in the broad area of development. The preambular part of the 2007 TCPR resolution of the General Assembly is relevant here.

141. These mechanisms continue to strengthen the promotion and protection of all human rights in all categories of member States. It seems clear to us as Co-Chairs that, in order to avoid duplication and overlap and to avoid pursuing issues in channels that are likely to prove fruitless, the broad membership has formed the general view that consideration of this work should continue to be taken up in these various settings and not within the framework of the continued discussions on System-wide Coherence.

VIII. Conclusions /Recommendations

142. As the Co-Chairs for System-wide Coherence in the 62nd Session of the General Assembly we have sought to conduct an open, transparent, balanced and inclusive process of consultations among the entire membership. Our aim has been to present a report that by and large, will sit well with all parts of the Assembly in that all groupings of States should be able to feel that the report addresses seriously many of their principal priorities and concerns. In this way we have sought to facilitate a balanced and fair, compromise outcome to the Assembly's deliberations during the current Session.

143. The following Conclusions/ Recommendations flow from the present report overall, but are perhaps best seen in tandem with the Introductory section. The landmark 2006 High Level Panel Report, while a very important contribution to the work of the General Assembly to increase coherence across the UN System, did not launch that work. The Millennium Summit and the World Summit of 2005 as well as consensus positions of the Assembly, not least the Triennial Comprehensive Policy Reviews (TCPRs), constitute much of the bedrock for building further progress in this area.

144. Since the outset of the current, 62nd Session, the broad membership has signalled that the continuing efforts on System-wide Coherence should focus on four priority areas, viz.

i) UN 'Delivering as One' at country level with the related aspect of Harmonisation of Business Practices.
ii) Funding
iii) Governance
iv) Gender Equality and the Empowerment of Women

145. The present report should be taken together with the paper on Gender (in its institutional dimension) which is being provided by the Secretary-General in these days to member States in response to their agreed request of 16 June.

146. As for 'Delivering as One', we have sought to provide the member States with an accurate and up to date picture of the process as it is actually developing on the ground in upwards of thirty developing countries and not simply as it is perceived from afar. We have been helped in this by our on-the-ground consultations with Heads of State and Government, Cabinet Ministers, Parliamentarians, UN Country Teams, Development Partners, etc. in some eight developing countries. We have conferred at length also with UN agency Heads in New York Geneva, Rome, Paris and Vienna. We have taken careful note of the Maputo Declaration issued in May by pilot and other developing countries in which they formally request the Assembly to encourage them in the 'Delivering as One' approach that they have voluntarily embraced in partnership with the UN System.

147. Our conclusion is that the experience of 'Delivering as One' to date (i.e. half way through its second year) at country level is clearly and preponderantly positive, even if a number of challenges remain to be fully addressed in regard to each of the 'Four Ones'. We note that this view is shared by the large and growing number of developing countries which are applying the Delivering as One approach and pro-actively moving towards implementing the consensus TCPR resolution (62/208). They state that important principles are in fact being observed in practice, including National Ownership and Leadership and 'No One Size Fits All'. Through the 'Delivering as One' approach UN Country Team activities are being aligned to an unprecedented degree with the national development strategies and policies of the developing countries concerned. Assistance is being delivered with greater effectiveness, savings are being realised and greater reductions in transaction costs are clearly in prospect.

148. At the same time the picture that emerges at present is interim in nature since the independent evaluation of 'Delivering as One', as foreseen by the 2007 TCPR, will come only towards the end of 2009 and, in any event, concrete development outputs arising from a new way of doing business take longer than eighteen months to emerge definitively.

149. It seems to us clear that the Assembly ought during the 62nd Session to be in a position to give a positive political impetus to 'Delivering as One', thereby giving encouragement to those many developing countries which have voluntarily embraced this approach and to enjoin the United Nations Development System to continue to pursue it. Moving forward, it will be essential to safeguard the principles underlying 'Delivering as One', inter alia, and in particular, that of enhancing national ownership and leadership in the design and implementation of UN Development System support programmes at country level. The international community should by the same token be encouraged to continue to respond positively through additional commitments where the combination of strong national leadership and an empowered UN System Country Team, delivering as one, together generate a better-aligned and more effective UN programme of support.

150. For the most part, the Funds, Programmes and Specialised Agencies of the System, at leadership level, have gradually become increasingly engaged with, and supportive of the 'Delivering as One' approach. The atmosphere in which they collaborate within the Chief Executives Board (CEB) under the chairmanship of the Secretary-General has been transformed for the better as they and their collaborators continue consideration of the implications of the 'four ones' at country level, viz. One Programme, One Budgetary Framework and Fund, One Leader and One Office. At the same time, it is to be recommended that Headquarters levels across the System empower the respective country level agency representatives with much greater latitude, flexibility and encouragement to advance a more coherent and therefore more effective delivery of UN System assistance on the ground in line with the 'Delivering as One' approach.

151. In all of this, the particular situations affecting middle income countries should receive adequate attention.

152. Turning to the issue of Funding in the context of System-wide Coherence, there clearly need to be greater flows of and greater predictability in funding. In general, overall commitments made solemnly and repeatedly need to be implemented more faithfully. Commendation is due to those development partners which have made concrete contributions to advancing the 'Delivering as One' approach at the country level in response to the strategies, priorities, policies and plans of the developing countries concerned. At the same time, support for 'Delivering as One' at country level must not be at the expense of core funding to agencies through their Headquarters. Overall, there needs to be a significantly improved balance between core and non-core funding. Funds, Programmes and Specialised Agencies should be invited, if necessary through changes in statute, rules and/or regulations, to give effect to the consensus view in the General Assembly that savings realised at country level ought to be ploughed back into programmatic development work in the countries where the savings are realised. In this and in other ways, 'Delivering as One' must deliver more.

153. As for inter-governmental Governance at the central level we have detected no palpable appetite in the General Assembly for establishing new inter-governmental bodies including the putative Sustainable Development Board, which was recommended by the High Level Panel. At the same time the emerging new realities from a growing number of developing countries applying the 'Delivering as One' approach at country level will need to be accommodated and addressed more effectively by the existing Boards and not least by ECOSOC. In light of the on-going and emerging nature of the 'Delivering as One' approach, it may be necessary to continue and deepen discussion of these issues during the 63rd Session.

154. If, in that context, the Assembly focuses firstly on the functions that need to be discharged centrally and inter-governmentally towards 'Delivering as One' it will perhaps then be easier to address the question of which institutions, as these continue to adapt, are best placed to discharge the functions in question.

155. We also believe that the UN System and the Bretton Woods Institutions ought to be consistently encouraged to develop, in a pragmatic manner, a far greater degree of cooperation and collaboration in the context described in the present report. Some progress is already being made. This needs to be developed and enlarged.

156. As for Gender Equality and the Empowerment of Women we recommend that the Assembly be invited to address the matter, including in light of the Secretary-General's paper on the institutional dimension in open, in informal plenary consultations at an early opportunity, perhaps in the opening days of September. During the current Session the member States have advanced together, by agreement, in their consideration of the issue of Gender Equality and Women's Empowerment. With assistance from the Secretary-General, they have together identified critical gaps in the way the System assists member States to implement globally agreed mandates and their own internationally-made commitments in the area of Gender Equality and Women's Empowerment. With further open and genuine discussion the Assembly

may be in a position before the conclusion of its 62nd Session to signal in general terms, but nevertheless clearly, which institutional option or combination of options, perhaps as adjusted, it wishes to pursue. Detailed working through of such an agreed approach could then be taken up and completed in the 63rd Session. We have the very strong impression that no Government, whether for substantive or 'tactical' reasons would wish to stand in the way of a consensus to advance the issue of Gender Equality and Women's Empowerment through a measured but significant step forward.

157. We believe that in light of the present report and the Secretary-General's options paper on Gender Equality and Women's Empowerment (in its institutional aspect) member States ought to be equipped for decision-making during the present Session. With these substantive elements in hand, member States are also better placed to weigh the format of the Assembly's decision-making.

158. In the first instance, and on the basis of the foregoing Report and these conclusions, member States may, during UNGA62, wish to address, perhaps in a package decision, the four core priority areas which they have highlighted throughout viz.

i) UN 'Delivering as One' at country level with the related aspect of Harmonisation of Business Practices;
ii) Funding;
iii) Governance; and
iv) Gender Equality and the Empowerment of Women

159. The same decision could signal that henceforth, in the context of inter-governmental discussion on System-wide Coherence, the Assembly will focus exclusively on these priority areas and will exclude from this context the issues of Environment/Environmental Governance; Humanitarian Assistance; and Human Rights in line with the considerations set out in the present report.

160. As Co-Chairs we will remain at the disposal of the President of the General Assembly through to the conclusion of the 62nd Session in mid-September, should he desire our input in facilitating, during the closing weeks of the Session, adoption of a decision by the Assembly along these lines.

161. In conclusion we would like to express our appreciation for the kindness and support that has been extended to us in our work as Co-Chairs by the President of the General Assembly H.E. Dr. Srgjan Kerim; by H. E. Deputy Secretary-General, Dr. Ashe Rose Migiro and by all those officials of the United Nations system in New York who greatly assisted our work. We thank the member States which have so actively participated in the broad consultation process. In particular we would like to thank the Governments of the pilots and other countries which are implementing a Coherence approach and where we were received at the highest levels, as representatives of the General Assembly. These developing countries participated in the consultations in New York to share their experiences of 'Delivering as One' at country level. We would also like to thank sincerely the Resident Coordinators and the dedicated and talented members of the United Nations Country Teams in all the

countries we visited. As we have stated previously, the UN Country Teams have exhibited great professionalism in designing and now implementing the UN reforms at country level, a task that has placed great demands on these officials – since their respective Headquarters too often expect them at the same time, with little or no acknowledgement of the increased burden on them, to continue to implement in every detail the paradigm that has obtained hitherto. Thus they are called upon to operate two paradigms simultaneously. We believe that the membership will be extremely grateful to them for the commitment they have shown to the United Nations. We would like to thank the Heads of the UN Funds, Programmes and Specialised Agencies who have been so active in this consultation process. Their openness and frankness about the challenges which remain and their commitment to resolving these challenges in a collegial manner, to strengthen the System as a whole for the benefit of the people whom they all serve, is at the core of this process. We also thank the senior management of the Bretton Woods Institutions who received us in Washington D.C. Finally, we thank our own hard-working Irish and Tanzanian collaborators and colleagues as well as all others who have helped and encouraged us over the past six months.

162. It is a great honour for us both and for our countries, Ireland and the United Republic of Tanzania, to have been requested to act as Co-Chairs on this crucially important area of UN reform. For this we are deeply grateful.

Ambassador Augustine Mahiga
Permanent Representative of the
United Republic of Tanzania

Ambassador Paul Kavanagh
Permanent Representative
Ireland

21 July, 2008

STATEMENT OF SUMMARY OF OUTCOMES AND WAY FORWARD
SEMINAR OF THE "PROGRAMME PILOT COUNTRIES"
ON DELIVERING AS ONE:
EXCHANGE OF EXPERIENCE AND LESSONS LEARNED
MAPUTO, MOZAMBIQUE
21-23 MAY 2008

1. Representatives of the eight governments of the 'Delivering as One' pilot countries (Albania, Cape Verde, Mozambique, Pakistan, Rwanda, Tanzania, Uruguay, and Vietnam) together with representatives from the government of Malawi met in Maputo, Mozambique from 21 to 23 May 2008 to review the lessons coming from the one year experience of their countries in 'Delivering as One' and discuss how to move forward while advancing the implementation of the recommendations contained in General Assembly Resolution 62/208.

2. The participants of the seminar thank the Government of Mozambique (GoM) for hosting the Seminar, the Prime Minister H.E. Mrs. Luisa Dias Diogo for her inspiring address at the opening, the Co-Chairs of the General Assembly Informal Consultations on System-Wide Coherence for their active participation, and the United Nations Under-Secretary-General Anna Tibaijuka for her statement on behalf of the UN Deputy-Secretary-General Executive Director, UN-HABITAT. The participants also thank the Australian Agency for International Development (AusAID) for its support to this meeting and UN Department of Economic and Social Affairs (UNDESA), UN Development Group Office (UNDGO), UN Evaluation Group (UNEG) and the UN Country Team (UNCT) of Mozambique for their valuable support in organizing and facilitating the event.

Introductory comments

3. The participants stress their commitment to the full and speedy implementation of Consensus General Assembly Resolution 62/208 on the Triennial Comprehensive Policy Review (TCPR) of operational activities for development of the United Nations system. In this resolution, the Secretary-General is encouraged to support "Programme Country Pilots to evaluate and exchange experiences and lessons learned with the support of United Nations Evaluation Group (paragraph 139)." The Participants consider the present seminar to be a response to paragraph 139 of the said resolution and a contribution to the proceedings of the Operational Activities Segment of the 2008 Substantive Session of ECOSOC.

4. The purpose of the seminar was to provide an opportunity for Government representatives from the eight pilot programme countries, and other programme countries with similar processes, to learn from each other on successes, constraints and remaining challenges in implementing the "Delivering as One" experience and how to move forward. It was also intended to assist these countries to share their common perspectives with the UN system so that lessons learned can be used to further the implementation of Resolution 62/208 towards greater coherence, efficiency and effectiveness of the UN system.

5. The Participants recognize that, with the exception of Cape Verde and Vietnam, the reform of the UN at country level started only in 2007. Findings are thus preliminary and pertain to process aspects as it is too early to evaluate development effectiveness of the Delivering as One (DaO)

initiative. A more complete picture will emerge once an independent evaluation has been conducted in 2009-2010.

6. The participants invite the General Assembly to fully support the countries engaged in DaO in their continuing efforts.

General Findings

7. The Participants stress that the Pilot countries became Pilots at the specific request of their national governments. In making such requests, the expectations of the Governments were high, including the hope that a more coherent UN system would better support the Governments in achieving Internationally Agreed Development Goals (IADGs), including the MDGs.

8. The experience of the participants is that national ownership in their development partnership with the UN system has been enhanced through the delivering as one process. They note the great diversity of their national circumstances and agreed that in their experience of Delivering as One, the principle of "No-One-Size-Fits-All" is also being upheld.

9. The Meeting reaffirmed the gains made by the DaO pilot countries and the other participant countries with respect to enhancing Government leadership of UN system operational activities for development. This increased engagement and direction from national governments is very much in the spirit of General Assembly resolution 62/208.

10. Initial indications are that the Pilot process is yielding positive results in ensuring that the UN development system is a more effective and coherent counterpart to its national partners. Reports from both the Governments and the UN Country Teams indicate that there has been increased availability of the UN system' s mandates and expertise to meet national plans and priorities.

11. Progress has been made in promoting a more unified UN system approach to programming and funding its support to countries, through the one programme and one budget. The Governments involved in DaO initiative clearly recognize and appreciate the progress made but more needs to be done to avoid fragmentation and deliver as one at the country level. Representatives of the pilot and the non-pilot governments all recognize the need to work even harder towards the success of the initiative.

12. However, major constraints remain on the way of implementing fully and accelerating the DaO initiative. These include the lack of predictability and timeliness of funding, lack of harmonisation and simplification of business practices, high transaction costs of the UN generally, poor alignment of UN capacities with the priorities of programme countries, as well as low level of use national operational capacities.

Recommendations

To accelerate the implementation of Resolution 62/208, the participants of the meeting from the nine governments

National Ownership and leadership

13. Underscore that the principle of national ownership and leadership should continue to guide all operational activities for development of the UN at the country level.

14. Recognize that the effectiveness of the operational activities of the UN is contingent to both a well coordinated and extended UNCT with empowered members, and a well coordinated government, and that where necessary this may require the establishment of new or further improvement of existing national coordination structures to provide strategic orientation and programme implementation monitoring functions,

15. Recognize that the UN can play an important role in supporting and strengthening the national role and capacity to coordinate the donor community.

16. Recall the General Assembly's encouragement to Member States to invite the UN to participate, ex-officio, in current and new aid modalities and coordination mechanisms, and its invitation to the UN development system to enhance its participation in this regard. Invites the GA to give encouragement to the countries concerned in their continuing efforts.

17. Stress that the UN operational activities should focus on national capacity building, provision of normative and policy advice, and strategic support to the reduction of poverty, and make use of national implementation capacities in consultation and coordination with the national authorities concerned.

Specifically to ensure the success of the Delivering as One Initiative the participants of the meeting,

18. Call upon UN agencies to support governments of pilot countries and the UN country Teams in sustaining efforts to mobilize timely and predictable financial support to the DaO initiative, including through common Government/UN mechanisms and processes, and new funding mobilization instruments where necessary and appropriate.

19. Underline that, in those countries in which the One United Nations Programme does not cover the whole UNDAF, resources should not be shifted to the One United Nations Programme at the cost of the remaining components of the UNDAF.

20. Recognize that the establishment of new national coordination structures has been conducive to strengthening government ownership and leadership and the alignment of the operational activities of the UN with national priorities. It should be ensured that these structures provide strategic orientation and programme implementation monitoring functions to the DaO process at the country level.

Alignment of UN capacity to the needs of programme countries

21. Acknowledge the pressing need to strengthen national capacities and recalls the need to ensure a coherent and coordinated approach by the UN development system in its support to capacity development efforts of programme countries.

22. Reiterates the need for the range and level of skills and expertise assembled by the United Nations system at the country level to be commensurate with that needed to deliver on the priorities specified in each country's United Nations Development Assistance Framework or One Plan/Programme, in line with the national development strategies and plans, including poverty reduction strategy papers, where they exist, and to correspond to the technical backstopping and capacity-building needs and requirements of developing countries.

23. Stress that cost saving measures and restructuring processes are not an end in themselves but need to be evaluated against the objective of enhanced effectiveness and impact.

24. Call upon the funds, programs and agencies to accelerate the reform of their headquarters to enable them to respond more effectively and rapidly to the needs of programme countries, and particularly to the pilot countries of the Delivering as One initiative, which are currently undergoing capacity assessments.

Harmonisation and integration of planning and programming instruments

25. Call upon the governing bodies of the UN Funds, program and agencies to urgently take necessary decisions to further simplify and fully harmonize the planning, programming and programme approval process.

26. Call upon the Secretary-General, through the CEB/UNDG, to explore a simplified programme approval process for common country programmes and make suggestions to the ECOSOC in this regard.

27. Call upon the UNDG to make use of the Pilots to explore and implement further simplification and harmonization of the country programming process, building on the positive experiences made with the common operational document.

Coherence of budgetary and funding processes

28. Call upon donors to make multi-year and unearmarked contributions to the One UN Program at the country level to allow for resource predictability and therefore improve the timeliness and effectiveness of implementation of programme activities, as well as to endeavor to fully finance the requirements of the One Program, without affecting bilateral development programmes.

29. Underline that Sector Wide Approaches (SWAps) should be increasingly adopted as the mechanism for donor funding at the country level as it moves towards the principles of the Paris Declaration and complements the process of UN Reform at the country level.

30. As per paragraph 37 of the TCPR, the UN should develop a strategy and capacity to help strengthen the national fiduciary and budget management capacity of the government. This can be done as part of the development assistance in the UN's Programme.

31. Urge all donors to recognise a common UN progress and financial Report Format as part of the Memorandum of Understanding that governs the One UN Fund.

Leadership and coordination of UNCT

32. Recognizing the importance of strengthened leadership of the Resident Coordinator (RC) at the head of an empowered UNCT, stress the importance of strengthening the role, and authority and coordination capacity of the RC through greater delegation of authority by the funds, programmes and agencies.

33. Call upon the UN funds programmes and agencies to consistently support the RC recruitment and selection process by encouraging the best candidates to apply. The importance of coordination and leadership capacities of RCs and leaders of local UN entities need to be given due consideration during the recruitment and selection processes.

34. Stress that standard Basic Agreements between Governments and the UN should be amended where relevant to reinforce and clarify the responsibilities and accountability between the UNCT and the Governments, maintaining privileges and immunities.

35. Underscore that all UNCTs should adopt Codes of conduct on the basis of harmonised models developed by UNDGO, these should specify inter alia the reporting relationships and communication responsibilities;

36. Underline that there should be mutual accountability amongst country team members. The RC should not be the only one to be accountable. The Performance evaluation mechanisms of the agencies should rapidly include assessment of Agency heads' contribution to cohesiveness of the UNCT and its capacity to respond to the priorities of the host country.

37. Call upon Headquarters of Agencies, Funds and Programmes to consistently support and promote efforts by UN country teams to respond to requests of Governments to enhance coherence, deliver, and communicate as one, including and particularly through their regional structures. Concrete performance appraisal should be introduced, where they do not yet exist, for managers at headquarters to facilitate reform process at the country-level.

38. Stress the importance of the continuity of the UNCT and the RC, as well as the need for involvement of the RC in the selection process of senior UNCT members. Headquarters need to improve succession process of UNCT members. Extended vacancies and important disruptions (i.e. avoid many changes at the time) should be avoided. It should also be avoided- if possible to change heads and RCs too frequently.

Specifically to ensure the success of the Delivering as One Initiative the participants of the meeting,

39. Stress that the One UN Programme/Plan between Government and UNCT should recall that the RC is responsible, with support by the UNCT, to report to the Government on the implementation of the UNDAF (paragraph 96 of Res 62/208); notwithstanding the Administrative Agent's responsibility to report financially, and in some cases on progress, to the donors on the implementation of the One UN Fund.

Joint Offices, harmonized and simplified business practices

40. Call upon the CEB to accelerate the process of harmonising UN business practices to allow for countries to progress in coherence and effectiveness while bearing in mind Government preferred aid modalities.

41. Stress that the UN needs to act (quickly) on the issue of Human Resources, specifically to respond to the changes required at the country level due to UN Reform (Capacity Assessments). Staff needs to be encouraged so that they are motivated to respond to the needs at the country level.

Specifically, in regard to the pilot countries:

42. Stress that the development of a UN premises should not only be viewed as one of the solutions to the harmonization of business practices but should also be based on cost effectiveness.

43. Also stress that Pilots should be allowed the space to 'test' initiatives relating to business practices, otherwise the planned common services and business practices will remain a wish list of intentions rather than translating into actual efficiencies.

Transaction costs, use of savings and increased use of national systems

44. Call upon funds programmes and agencies to accelerate the implementation of the recommendations in the TCPR paras-37, 39 and 119, that request UN agencies to refocus on the increased use of national systems and strengthening capacities where needed at country level (finance, procurement, programme delivery, planning and budgeting, M&E). Request the UN to undertake assessments of relevant national capacities, identify areas that need strengthening, and set targets for strengthening the required capacities with a view to adopting them.

45. Call upon UN agencies, funds and programmes at the HQ level to allow UNCTs, in close coordination with Government, to identify the best ways and means in which administrative savings can be ploughed back into programme budgets, as mentioned in TCPR paragraph 104b and 114, while avoiding audit objections.

46. Look forward to the work of the ECOSOC, through the Development Cooperation Forum (DCF) to facilitate the development of clearly defined standards for the provision of development assistance, to help promote the adoption and strengthening of national systems by the UN.

Specifically, in regard to the pilot countries,

47. Underscore those transactions Costs need to be clearly defined and a methodology developed by UNDG and Governments on how to measure them. Transaction costs need then to be documented, Pre, During and Post UN Reform exercise at the country level. The impact on transaction costs of implementing the recommendations of the Capacity Assessments needs to be focused on.

48. Call upon Headquarters of funds, programmes and agencies to ensure that Missions to the country level are jointly and better coordinated (see paragraphs 118 and 119 of TCPR resolution 62/208) and that harmonised outcomes are reported back to the Government.

Communication: coordination with government, results and accountability and public awareness

49. Underline also that too many reports have to be prepared by the UNCT for various donors and urge donors to recognize a common Format for UN progress and financial reports.

50. Underscore that in countries in transition, Middle Income Countries and other countries in which the UNCT needs to rapidly adapt to a changing environment, it is advisable that the government establish mechanisms that work specifically with the UNCT to guide the evolution of the partnership between Government and UNCT, and continue to enhance the relevance of the UN for those countries.

51. Stress that the RC is responsible, with support by the agencies, to report to the Government on the implementation of the UNDAF (paragraph 96 of TCPR resolution 62/208). All new UNDAFs should therefore stipulate this responsibility. Call upon the UNDG to assist country teams in developing common reporting instruments in this regard.

Monitoring and Evaluation (including Evaluability)

52. While underlining the responsibility of Governments for evaluation as per resolution 62/208, recognize that the UN System and the Governments will jointly oversee the conduct of the evaluation of the DaO Pilots and determine the value added of the One Program.

53. Stress that Experiences (positive and negative) should be shared across pilots to accelerate learning and adopting best practices. Learning/experiences from the pilots should also be communicated throughout the membership of the UN to assist possible self-starter countries.

54. Encourage Pilot countries to develop a system for self-evaluation based on agreed indicators/targets.

55. Recognize the gaps in 'Pilot countries' level of preparedness for the independent evaluation scheduled for 2010 and resolve to address these gaps as soon as possible, inter alia by establishing results based frameworks using simple methodologies.

56. Stress that M&E systems should rely on government institutions and data to monitor progress to the maximum extent possible.

HIGH-LEVEL PANEL ON UN SYSTEM WIDE COHERENCE

Implications for UN operational activities at Country Level: What's new and what has already been mandated?

Existing mandates and progress report	HLP recommendations	Status
(OP 169) *Inviting* the Secretary-General to launch work to further strengthen the management and coordination of United Nations operational activities so that they can make an even more effective contribution to the achievement of the internationally agreed development goals, including the Millennium Development Goals, including proposals for consideration by Member States for more tightly managed entities in the fields of development, humanitarian assistance and the environment (2005 World Summit Outcome). (OP13) *Recognizes* that strengthening the role and capacity of the United Nations development system to assist countries in achieving their development goals requires continuing improvement in its effectiveness, efficiency, coherence and impact, along with a significant increase in resources and an expansion of its resource base on a continuous, more predictable and assured basis (TCPR 2004)	**We recommend the establishment of "One UN" at country level, with one leader, one programme, one budgetary framework and, where appropriate, one office.**	
Stresses that the purpose of reform is to make the United Nations development system more efficient and effective" and "*requests* the funds and programmes and specialized agencies" to implement "the joint office" (2004 TCPR) **PROGRESS** *First Joint Office pilots rolled out in Cape Verde and Vietnam. UNDG agreement to roll-out 20 Joint Office pilots. While JOs are country specific, all pilots have several common features, including (a) a "common UN programme framework", (b) an empowered leader of the UNCT, (c) rationalized support services, harmonized procedures and one office, where possible, and (d) either "one budget", where sensible (e.g. Cape Verde) or "one budget framework" aligned with the common programme framework.*	Milestone: We recommend **5 One UN country pilots by 2007**, and subject to satisfactory review, 20 One UN Country Programmes by 2009, 40 by 2010 and all other appropriate programmes by 2012.	
"One Leader"		
Management of RC system: (OP59) *Underscores* the fact that the RC system is owned by the UN development system as a whole and that its functioning should be participatory, collegial and accountable (TCPR 2004). (OP60) *Also underscores* the fact that the management of the RC system continues to be firmly anchored in UNDP, while recognizing that many resident coordinators, especially in countries with large country teams, complex coordination situations or in situations of complex emergencies, lack the capacity to address equally well all tasks inherent to their functions, and in this regard requests that in such cases UNDP appoint, within the existing programming arrangement, a country director to run its core activities, including fund-raising, so as to assure that resident coordinators are fully available for their tasks (TCPR 2004). (OP 61) *Requests* that, when raising funds, resident coordinators concentrate on raising funds for the whole of the United Nations at the country level (TCPR 2004).	**Management of RC system:** (HLP Recommendation) To ensure that there is no potential for, or perception of, a conflict of interest, UNDP should establish **an institutional firewall** between the management of its programmatic role and management of the Resident Coordinator system (including system-wide strategic and policy support). (HLP Recommendation) UNDP will consolidate and focus its operational work on strengthening the coherence and positioning of the UN country team delivering the One Country Programme. As manager of the Resident Coordinator system, UNDP should set a clear target by 2008 **to withdraw from sector-focused policy and capacity work** for which other UN entities have competencies. (HLP Recommendation) UNDP will develop a **code of conduct, including a transparent mechanism to evaluate the performance of its country operations**. This should be done in consultation with all relevant UN organizations and the	**NEW** **NEW** **NEW**

PROGRESS *UNDP committed to introduce Country Directors in 40 large/complex coordination countries (28 Country Directors fielded by November 2006)*	agreed code of conduct should be formally approved by the UN Sustainable Development Board.	
Enhanced RC Authority: (OP 169) We support stronger system-wide coherence by implementing the following measures: […] Implementing current reforms aimed at a more effective, efficient, coherent, coordinated and better-performing United Nations country presence with a strengthened role for the senior resident official, whether special representative, resident coordinator or humanitarian coordinator, including appropriate authority, resources and accountability, and a common management, programming and monitoring framework (2005 World Summit Outcome). (P40) The UNDG will finalize the strategy and workplan on strengthening the role of UN special representatives, resident coordinators and humanitarian coordinators and the resident coordinator system and country-based coordination systems by January 2006, for review by CEB. A report on progress will be provided through my yearly report to the Economic and Social Council in 2006 (SG Report on Follow-up to 2005 World Summit Outcome). **PROGRESS** *UNDG RC Issues Group; Vietnam pilot*	**Enhanced RC authority**: (HLP Recommendation) Resident Coordinators should have the authority to lead the One Country Programme, including authority to negotiate and shape the "One Country Programme" with the government on behalf of the entire UN System and **to allocate resources from pooled and central funding mechanisms**. Authority to hold members of the team accountable to agreed outcomes and to compliance with the strategic plan.	**NEW** **TCPR**
Accountability: (OP58) *Requests* the Secretary-General, in full consultation with all agencies of the UNDG and the CEB, as appropriate, to develop, by the end of 2005, a comprehensive accountability framework for resident coordinators to exercise oversight of the design and implementation of the Framework, in a fully participatory manner, in support and under the leadership of national Governments; (TCPR 2004) (OP 55) […] *urges* the members of the Executive Committee of the UNDG, in full consultation with the members of the Development Group, to develop a procedure for the common assessment of the performance of resident coordinators by all members of the United Nations country teams; (TCPR 2004) **PROGRESS** *Comprehensive aaccountability framework put into place, including a revised RC job description, RC scorecard, regional oversight system as first "line of oversight"; separate RC career review process at HQ level; and 180-degree RC/UNCT Performance Appraisal System introduced in 20 pilots with full roll-out in late 2006.*	**Accountability**: (HLP Recommendation) Their enhanced authority should be matched by a clear accountability framework and an effective oversight mechanism to ensure system-wide ownership of the Resident Coordinator system. → See also HLP recommendations on **Development Policy and Operations Group** (DPOG) and **UN Sustainable Development Board** (UNSDB).	**TCPR** **NEW**
Selection: (OP55) *Welcomes* the improvements in the selection process and training of the resident coordinators (TCPR 2004). **PROGRESS** *10-year experience with RC/HC competency assessment administered by external company; incentive system developed to attract the best and brightest from inside and outside UN system (revised by inter-agency Panel in 2002 and 2006 to ensure fairness and relevance to full UN system*	**Selection**: (HLP Recommendation) Competitive selection of Resident Coordinator candidates, drawn from the best talent within and outside the UN system.	**TCPR**

needs) – evaluation in 2004 revealed serious weakness in agency willingness to "lose star staff" for RC positions; since 2002 increase of non-UNDP RCs from 17 to 36 (28% out of 130 posts), which is an increase of over 100 percent; rate of change increased with over 50 percent of new RCs in 2006 coming from agencies other than UNDP (11 out of 21); efforts undertaken to improve gender and geographic balance; training on mandates of agencies in UNCT introduced in November 2006; funds being mobilized to provide more systematic in-service training.		
Appropriate capacities/resources: (OP54) *Urges* the UN system to provide further financial, technical and organizational support for the resident coordinator system, and requests the Secretary-General, in consultation with the members of the UNDG to ensure that resident coordinators have the necessary resources to fulfill their role effectively. (TCPR 2004) **PROGRESS** *One national or international coordination officers fielded in RC offices; efforts underway to raise additional funds to provide increased level of coordination support, where needed; agreement to assign one national officer dedicated to enhanced support to non-resident agencies in all UNDAF countries in 2007 on pilot basis; agencies leading cross-cutting issues (e.g. human rights, gender equality) beginning to assign staff to selected RC Offices to support "mainstreaming".*	**Appropriate capacities/resources:** (HLP Recommendation) To perform this function, Resident Coordinators should have appropriate competencies, capabilities and support capacities. (HLP Recommendation) To deliver as one, UN country teams should also have an integrated capacity to provide a coherent approach to cross-cutting issues, including sustainable development, gender equality and human rights. (HLP Recommendation) The capacity of the Resident Coordinator's office to advocate, promote and broker partnerships between government and relevant civil society organizations and the private sector should be enhanced to build stakeholder consensus and realize country-specific goals as embodied in the national development plans.	**TCPR**
"One Programme"		
(OP49). *Reiterates* that the ownership and full participation of national authorities in the preparation and development of the Framework are key to guaranteeing that it responds to the national development plans and poverty reduction strategies of the countries concerned, (TCPR 2004) **PROGRESS** *Common Country Assessments increasingly feeding into national analytical work; separate CCA not needed where UNCT convinced that "UN" issues not missing from national processes; UNDG guidance issued on role of UNCTs in supporting PRSp processes; UN results in UNDAF must be derived from national priorities established through national planning process (in full consultation with government); UNDG supporting national indicator monitoring system as basis for monitoring progress on results (DevInfo).*	(HLP Recommendation) The "One Programme" should be country owned and signed off by government, responsive to the national development framework, strategy and vision, including the internationally agreed development goals.	**TCPR**
(OP49) […] and *requests* the Secretary-General to develop the Framework and its results matrix where applicable, as the common programming tool for country-level contributions of the funds and programmes towards achieving the MDGs to be fully endorsed and countersigned by the national authorities; (TCPR 2004) (OP50). *Notes* the potential of the Framework and its results matrix as the collective, coherent and integrated programming and monitoring framework […], bringing increased opportunities for joint initiatives, including joint programming, and urges the UN development system to fully utilize such opportunities in the interest of enhancing aid efficiency and aid effectiveness; (TCPR 2004) (OP51) *Requests* the Secretary-General, through the Executive Committee of the UNDG, in consultation with the CEB, to ensure that UNDG agencies with multi-year programmes as well as the entities of the Secretariat that carry out operational activities in pursuit of the MDGs fully align their	(HLP Recommendation) The "One Programme" should build on the UN country team's common country assessment or national analysis, and reflecting the UN's added value in the specific country context. (HLP Recommendation) The "One Programme" should be strategic, focused and results-based, with clear outcomes and priorities, while leaving flexibility to reallocate resources to changes in priorities. → See also HLP recommendations on **Sustainable Development Board** and **consolidated funding**.	**TCPR** **NEW**

respective programming and monitoring with the Framework, as well as take further steps to harmonize their programming cycles and to synchronize them as far as possible with the national programming instruments, in particular the national poverty reduction strategies, including poverty reduction strategy papers, where they exist; (TCPR 2004) **PROGRESS** *Efforts undertaken to move beyond UNDAF as "framework" and towards a common programme for UN Country Teams: concept of enhanced UNDAF as common programme base accepted by full UNDG Programme Group, with heads of the UNDG Executive Committee agencies agreeing that UNDAF should become their agencies' country programme; common way of assessing national institutional capacity to manage resources; HLCM/UNDG working on common country level concepts for results-based planning, budgeting, monitoring and reporting.*		
(OP44) *Calls upon* the UN system to draw from its accumulated experience in all pertinent economic, social and other domains and to facilitate the access of developing countries to the services available. (TCPR 2004) (OP46) *Stresses* the importance of the common country assessment as the common analytical tool of the UN system at the country level, including the specialized agencies, the regional commissions and other UN agencies with no country representation or limited country-level presence, which should contribute their accumulated analytical and normative experience so as to enable the use of all capacities available within the UN system; (TCPR 2004) **PROGRESS** *UNDG Working Group on involvement of NRA completed assessment report and now developing implementation workplan; discussions ongoing on including a special section in UNDAF covering UN's normative work and assignment of full-time capacity in RC Office to assist non-resident agencies to participate fully in relevant national processes.*	(HLP Recommendation) The "One Programme" should draw on all UN services and expertise, including those of non-resident agencies, in order to effectively deliver a multi-sectoral approach to development (with due attention to cross-cutting issues)	**TCPR**
"One Budgetary Framework" and funding		
(OP 61) *Requests* that, when raising funds, resident coordinators concentrate on raising funds for the whole of the United Nations at the country level (TCPR 2004). **PROGRESS** *UNDAF Results Matrix shows projected core resources and resource mobilization targets for all programme components, by agency.*	**One "budgetary framework"** (HLP Recommendation) At country-level, contributions to the One Country Programme should be **consolidated within a single budgetary framework,** which would not constitute a legal constraint on the spending authority of funds, programmes and specialized agencies. The one budgetary framework brings together all contributions to the One Country Programme. • Transparency, management, and the effective implementation of the One Country Programme through One Budgetary Framework. • Funding should be linked to the performance of the UN Country Team preparing and implementing a strategic One Country Programme. • The budget should be completely transparent, showing clearly the overheads and transaction costs of the UN and all of its funds, programmes and specialized agencies in the country	**NEW**
PROGRESS *Supplementary pooled multi-donor funding mechanisms being piloted at country level in Sudan, Iraq and Lebanon.*	**Pooled funding mechanisms** (HLP Recommendation) To fund the One Country Programme through this single budgetary framework, the Panel recommends the following funding sources:	

	▪ The five pilots should be funded by **pooled country-level funding**. For donor contributions to each pilot, a country-level MDG Strategy Support Fund should be established, to be administered by the Resident Coordinator, in line with national priorities. In principle, funding from all sources for the One Country Programme should flow through these country funds. Donors would be strongly encouraged to contribute through these funds. ▪ **A MDG Funding Mechanism** should be established following the five pilots. This voluntary mechanism would coordinate overall resource flows enabling global oversight of funding available for contributions to the One Country Programme. The mechanism should be governed by the Sustainable Development Board under the supervision of the Development Coordinator. Donors are strongly encouraged to make funds available to this mechanism at the central or country level. UN organizations could also contribute core funding for the One Country Programme within the framework of this mechanism.	NEW NEW
(OP 24) *Requests* the Secretary-General, in consultation with Member States, to explore various funding options for increasing financing for operational activities for development of the UN system and to examine ways to enhance the predictability, long-term stability, reliability and adequacy of funding for the operational activities for development, including through the identification of possible new funding sources, as a follow-up to his report, while preserving the advantages of the current funding modalities, and to submit a report to the General Assembly through the Economic and Social Council at its substantive session in 2005; (TCPR 2004)	(HLP Recommendation) The UN should drive reform by channelling reform savings back into the system through mechanisms, such as an **Empowerment Fund**. This Fund would demonstrate to the world's poorest citizens, communities and local entrepreneurs that UN savings will be invested directly in their empowerment. It would be financed with minimal overhead through efficiency cost savings resulting from reforming, consolidating and streamlining UN functions and organizations, as recommended by the Task Force to be established by the UN Secretary-General. This Fund could redirect savings from efficiency reforms back to country-level strategies (One Country Programme) with a special emphasis on helping countries achieve the MDGs.	NEW
"One Office"/One Team		
(OP 34) *Invites* the governing bodies of all organizations of the United Nations system actively involved in development cooperation activities and their respective management to adopt harmonization and simplification measures, with a view to achieving a significant reduction in the administrative and procedural burden on the organizations and their national partners that derives from the preparation and implementation of operational activities; (TCPR 2004) (OP36) *Requests* the funds, programmes and specialized agencies of the UN system to examine ways to further simplify their rules and procedures and, in this context, to accord the issue of simplification and harmonization high priority and to take concrete steps 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; […]; as well as further simplification and harmonization measures (TCPR 2004). **PROGRESS** *UN ExCom working on harmonized rules, regulations, policies and procedures for "core services" (finance, human resources and procurement) with Un Secretariat as basis for wider consultations*	(HLP Recommendation) The "One Office" should include: One integrated results-based management system, with integrated support services; joint premises (where appropriate), and a common security infrastructure and clear lines of accountability	TCPR

under HLCM. Objective is to prepare common field operations handbook reflecting harmonized procedures; common services initiatives for non-core services established in 61 countries; 60 officially designated UN Houses established worldwide.		
"One UN" at regional level		
(OP36) *Requests* the funds, programmes and specialized agencies of the UN system to examine ways to further simplify their rules and procedures and, in this context, to accord the issue of simplification and harmonization high priority and to take concrete steps in the following areas: […] alignment of the regional technical support structures and regional bureaux at headquarters level, including their regional coverage […] (TCPR 2004). **PROGRESS** *Six regional Directors Teams established in five regions (with two teams in Africa) to provide technical support to UNCTs and oversight for RC/UNCT – focus on (a) provision of coherent technical and substantive policy support to UNCTs, (b) RC assessment, and (3) support to joint office initiative; one support person to be posted for each RDT in 2007; ExCom discussions ongoing on regional alignment/country coverage and regional co-location.*	(HLP Recommendation) Regional offices of UN entities should **be co-located** and the definition of regions among all UN entities should be standardized to ensure consistency and coherence in the work of the UN at the regional level.	**TCPR** **NEW**
"One UN" at Headquarters level		
PROGRESS *Joint meetings of the Boards of ExCom agencies, albeit without decision making powers.*	(HLP Recommendation) We recommend the establishment of a **UN Sustainable Development Board** to oversee the One UN Country Programmes. Reporting to ECOSOC, the Board would provide the decision-making and monitoring framework for implementation of One UN at country level. The Board would be responsible for oversight of the implementation of the pilot programme to create unified UN country programmes. Meetings of the UN Sustainable Development Board should supersede the joint meeting of the boards of UNDP/UNFPA/gender entity, WFP and UNICEF. After three years the effectiveness of the Board should be assessed. This assessment should include consideration of the scope for integrating the boards of UNDP/UNFPA and UNICEF as segments of the UN Sustainable Development Board, rather than maintaining them as standalone boards.	**NEW**
	(HLP Recommendation) The Secretary-General should appoint the UNDP Administrator as the **Development Coordinator to chair the Development Policy and Operations Group** that would support One UN at the country level. The Development Coordinator would report and be accountable to the UN Sustainable Development Board on the implementation of the One UN. A Development Finance and Performance Review Unit should be established to support the UN Development Policy and Operations Group.	**NEW**

THE DEPUTY SECRETARY-GENERAL

1 August 2007

Excellency,

I herewith transmit a concept note on the Secretariat's proposal for a strengthened gender equality architecture. The note has been prepared in response to your request as contained in your letter dated 29 June 2007.

The note is the result of an intense and lengthy consultative process among the members of the Inter-Agency Gender Task Force which I chair and which includes all relevant United Nations entities. There is consensus among the Task Force members that the existing architecture for gender equality and women's empowerment is fragmented and under-funded and, therefore, inadequate to address effectively General Assembly mandates on gender and women's issues.

The Task Force also agrees on a number of desired goals that a strengthened architecture should aim at, including becoming a much stronger voice on women's issues so that gender equality and women's empowerment are given adequate priority throughout the United Nations system; establishing a stronger partnership with governments and civil society to deliver results, especially at the country level; and ensuring greater coherence among the various assistance efforts. It is the opinion of the Task Force that such goals could be achieved by a strong centralized entity with the authority to ensure that gender is mainstreamed in the work of the United Nations system.

The thrust of the note is in line with the proposal outlined by the Secretary-General in his report on the recommendations of the High-level Panel on United Nations System-wide Coherence (A/61/836) and with my presentation to the Member States on 21 June.

Her Excellency
Haya Rashed Al Khalifa
President of the General Assembly
New York

27-0842C

It is my hope that Member States will find the note a useful conceptual basis to start discussion and deliberation of the issue. I trust that under your leadership progress can be made to endow the United Nations with an effective architecture for gender equality and women's empowerment. Needless to say, the Secretariat and I stand ready to assist you, Madam President, and the Member States once further guidance is provided to us by the General Assembly.

Please accept, Excellency, the assurances of my highest consideration.

Asha-Rose Migiro

Concept Note on a Strengthened Architecture for Gender Equality and Empowerment of Women

A. Introduction

1. This concept note responds to the General Assembly President's letter dated 29 June 2007 to the Deputy Secretary-General requesting additional information on an improved and more coherent gender equality architecture to support the on-going intergovernmental review of the current UN gender equality architecture. It takes into account intergovernmental mandates on gender equality and women's empowerment, the concerns raised by Member States during the informal consultations on 21 June 2007 and the gaps identified in the current architecture. It also makes a case for a new and strengthened architecture for gender equality and the empowerment of women. The note was prepared in consultation with the Deputy Secretary-General's Inter-Agency Task Force comprised of a number of UN entities.

B. Mandates

2. The mandate for gender equality and women's empowerment is derived from the United Nations Charter which established that the work of the UN should be based on the equal rights of men and women.

3. The United Nations work on gender equality continues to be guided by the Beijing Declaration and Platform for Action, ECOSOC agreed conclusions 1997/2, Security Council resolution 1325 (2000), internationally agreed development goals, including those contained in the Millennium Declaration, and the 2005 World Summit and other outcomes of UN major conferences and summits. Important mandates on gender equality also emanate from resolutions of the General Assembly, ECOSOC and its functional commissions, in particular the Commission on the Status of Women. These policy documents stipulate that Governments bear the primary responsibility for achieving the goals of gender equality. All entities of the UN system are called upon, within their respective mandates, to facilitate implementation of these policy decisions, including through mainstreaming a gender perspective in their own policies, strategies, budgets and programmes.

4. This policy framework is complemented by normative work on gender equality in human rights under the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) which sets legally binding obligations for State Parties on women's rights, the elimination of discrimination against women and the achievement of gender equality.

C. The case for a new and strengthened architecture for gender equality and the empowerment of women

5. The current architecture for gender equality and empowerment of women of the UN comprises: the Office of the Special Adviser on Gender Issues and Advancement of Women (OSAGI), the Division for the Advancement of Women (DAW), the UN Development Fund for Women (UNIFEM), the International Institute for Research and Training for the Advancement of Women (INSTRAW), gender units and gender focal points in UN entities (gender mainstreaming), and departmental focal points (for gender balance), and gender theme groups (at the country level).

6. Coordinating mechanisms include the Inter-agency Network on Women and Gender Equality (IANWGE) and the UNDG Task Team on Gender Equality. The Chief Executives Board for Coordination (CEB) and its High-level Committees on Programme and Management (HLCP and HLCM) also play an increasingly important role in interagency coordination of gender related policies at the level of heads of UN entities.

7. However, these incremental attempts at enhancing coordination have lead to positive though insufficient results by any measure. There is no single centre of leadership promoting coordination and coherence. The architecture for gender equality and empowerment of women is under-resourced; and there is inadequate institutional capacity for oversight and accountability for system-wide performance on gender equality and women's empowerment and low capacity for gender mainstreaming.

8. At the regional and country levels, the existing gender units and gender focal points within UN entities often overlap, compete for the same resources, and are weakly positioned in the organizational structure. A number of these units have unclear mandates, limited access to decision-making, and few resources and support mechanisms. The Gender Theme Groups of UN Country Teams face challenges of heavy workloads, lack of seniority and expertise on gender equality, frequent changes in membership due to staff turnover as well as lack of access to resources and management support. UNIFEM has presence in 60 countries, yet it is not included in the decision-making of many UN Country Teams and regional directors' teams.

9. In sum, the current architecture is too incoherent, under-resourced and fragmented to provide effective support to Member States and therefore, needs a complete overhaul. This contributes to the gap between implementation at the country level and the global, regional and national policy commitments on gender equality. If Member States are to meet their goals for peace, development, human rights, humanitarian action and gender equality, the capacity of the United Nations system to support them in this area needs to be strengthened to better address the needs of women world-wide and the global challenges they face.

10. This state of affairs led Heads of State and Government to commit to strengthening the capacities of the United Nations system on gender issues and empowerment of women during the 2005 World Summit. This was followed-up by

specific recommendations for change in the report of the High-level Panel on System-wide Coherence. These recommendations have been supported by statements made by many Member States, including Ministers, at the General Assembly informal thematic debate in March 2007, and considered during the system-wide coherence informal consultations on gender of 21 June 2007. In addition many civil society and women's organizations have strongly advocated for change to the current gender architecture.

D. Purpose and functions of a consolidated entity for gender equality and the empowerment of women

11. The purpose of the reform proposal is to strengthen the UN's provision of coherent, timely, and demand-driven support for the efforts of Member States in strengthening national capacity to achieve gender equality consistent with national priorities and international gender equality norms and policy frameworks.

12. The new architecture would feature a central consolidated entity for gender equality and the empowerment of women, enhanced system-wide coherence, stronger partnerships with Member States and civil society and strengthened inter-agency coordination mechanisms.

13. The new entity would bring together OSAGI, DAW, UNIFEM and INSTRAW and add value to UN work on gender equality and the empowerment of women by (a) giving **much stronger voice** on women's issues to ensure that gender equality and women's empowerment are given adequate priority throughout the UN system, (b) ensuring that the UN **works more effectively** with governments and civil society in this mission to deliver results, especially at the country level and (c) ensuring **greater coherence** among the various assistance efforts.

14. To achieve these goals the new entity would have principal responsibility for linking system-wide research, policy and country-level catalytic programming and leading effective gender mainstreaming work of the UN system. In particular, it would develop and strengthen system-wide gender expertise; assist the UN system to incorporate gender perspectives into their programmes and policies; act as a catalyst for system-wide initiatives, and carry out targeted country driven technical assistance and targeted programmes, particularly of cross-sectoral nature; and would have the authority to hold senior managers accountable for ensuring that gender equality and women's empowerment are a top priority throughout the United Nations system.

15. For this entity to better address women's needs around the world, in both developed and developing countries, and become a driving force throughout the UN system on women's issues, it must seek to engage Governments and other actors; have strategic presence in regional and sub-regional offices and selected UN Country Teams and work in close cooperation with Gender Advisers in other UN entities.

16. However, the consolidated entity for gender equality and women's empowerment would not replace or duplicate the work of other entities such as, for example, the

specialized agencies, funds and programmes, regional commissions. Each UN entity will be responsible for mainstreaming a gender perspective into its sectoral policies and programmes. The new entity for gender equality and the empowerment of women would contribute to reducing duplication in activities resulting from overlapping inter-governmental mandates. It would support and coordinate gender and women's empowerment activities of UN entities through an enhanced inter-agency coordination machinery to increase system-wide synergies and cooperate closely with them in carrying out holistic programming and gender related cross-sectoral projects.

17. It would work in close cooperation with gender focal points and gender units of UN entities on sectoral and cross-sectoral programmes and projects. In particular, the new gender entity would support UN country teams by clarifying and strengthening linkages between policies and their implementation, facilitating, and operationalizing gender mainstreaming in various areas of UN activities consistent with inter-governmental mandates and policies. At the Headquarters level, it would create opportunities for dialogue between national policy makers, UN country teams and inter-governmental bodies; ensure systematic feedback of field experience in inter-governmental policy-making, monitoring system-wide gender mainstreaming, including at the country level; sharing knowledge on gender equality and developing services, tools and products.

18. Accordingly, the new entity would:

(a) provide substantive servicing to UN bodies (CSW, ECOSOC, General Assembly and Security Council) where commitments, norms, and policy recommendations on gender equality and gender mainstreaming are discussed and agreed upon;
(b) monitor the implementation of the 12 critical areas of the Beijing Platform for Action, the Outcome Document of the 23rd Special Session of the General Assembly and Security Council resolution 1325 (2000);
(c) undertake global, regional and national advocacy efforts on issues critical to gender equality and women's empowerment to ensure that emerging, under-recognized and under-resourced issues receive national, regional and global attention;
(d) undertake new and consolidate existing research and analytical work, to support overall objectives, including acting as a clearing house for knowledge and experience on gender equality and empowerment of women from all parts of the UN system;
(e) building on comparative advantage of UN actors, lead and coordinate the system's strategies, policies and actions on gender equality and women's empowerment, and promote effective system-wide gender mainstreaming;
(f) ensure accountability of the UN system, including through oversight, monitoring and reporting of system-wide performance;
(g) lead innovative and catalytic country-driven programming, gender mainstreaming and capacity-building and provide targeted technical assistance and capacity-building, targeted in line with national priorities; and

(h) monitor and report on system-wide compliance with intergovernmental mandates on gender balance including at senior level/decision-making levels.

F. Institutional framework

19. The new entity for gender equality and the empowerment of women, based on a hybrid model, would fully integrate normative dimensions (policy, analytical and support to intergovernmental and interagency decision making processes) with demand-driven operational aspects (policy advisory, catalytic and targeted programming services at the country level) using existing delivery mechanisms and experience as appropriate. Intergovernmental decisions and national priorities would serve as basis for design and development of catalytic and targeted programmes which would be effectively delivered on the ground. The new entity would maintain a fund to provide financial support for national and regional efforts for gender equality and empowerment of women.

20. The new entity would have strong institutional capacity to undertake its functions as well as communication, outreach and fund-raising capabilities. This should allow it to take a strategic approach to bridging the gap between the UN's normative and operational work. It should be efficient, cost-effective and flexible in order to assist Member States, whenever and wherever requested; have sufficient financial and human resources; work in partnership with key players, particularly women's NGOs and networks; and focus on activities that have measurable impact on the lives of women worldwide.

21. Country engagement should harness the comparative advantage of existing UN agencies operating in the field to promote national ownership of gender equality and women's empowerment programmes based on national diversity and experience.

22. Inter-agency coordination on gender equality issues would be significantly enhanced as a vehicle for ensuring greater coherence and pooling of resources (technical, analytical and financial) in support of gender equality and women's empowerment as well as an enhanced system-wide monitoring and performance evaluation by the consolidated entity for gender equality and the empowerment of women at the CEB level, and revitalization of the Interagency Network on Women and Gender Equality and the UNDG Task Team on Gender Equality.

23. The new entity for gender equality and the empowerment of women should be led by an Executive head at the Under-Secretary-General level, reporting directly to the Secretary-General. The Executive head should participate in decision-making in senior management bodies, including the Chief Executive Board for Coordination, UNDG, the Policy Committee and Executive Committees.

24. The Executive Director would be assisted by a team of senior management of high calibre, with significant expertise and experience on gender equality issues at both global and country levels. The staffing plan for the new entity should achieve a mix of levels and grades to attract staff with both policy and operational experience, ensure

adequate managerial capacity and provide for advancement and mobility opportunities between different areas of work of the entity.

25. The issue of governance of the new entity for gender equality and women's empowerment will require further analysis. However, as an example and subject to guidance and approval to be provided by the General Assembly, intergovernmental guidance and oversight for the catalytic operational activities of the new entity could be provided by the UNDP/UNFPA Executive Board or another body, reporting to the General Assembly through ECOSOC as appropriate. The General Assembly should maintain its oversight role over normative aspects of the new entities activities.

G. Funding

26. In order to effectively execute the functions outlined above, the new entity would require sufficient and predictable funding. This would be provided through both assessed and voluntary contributions.

H. Next Steps

27. Should Member States approve the concept of the new hybrid entity, the Secretary-General would formalize the Member States' vision of a new entity for gender equality and women's empowerment by preparing a comprehensive programme budget document, which would include more details and analysis on the governance, structure, funding and staffing of the new entity. These more elaborate proposals would be developed bearing in mind the issues of applicable regulations and rules governing financial, staffing and other related arrangements.

United Nations A/61/836

General Assembly

Distr.: General
3 April 2007

Original: English

Sixty-first session
Agenda item 113
Follow-up to the outcome of the Millennium Summit

Recommendations contained in the report of the High-level Panel on United Nations System-wide Coherence in the areas of development, humanitarian assistance and the environment

Report of the Secretary-General

I. Introduction

1. In an ever more interdependent world, a coherent and strong United Nations is needed to meet an immense set of global challenges and a wide diversity of needs. The United Nations has a key role in ensuring progress towards the Millennium Development Goals and the other internationally agreed development goals, enabling countries to lead their development processes and helping to address such global challenges as disease, conflict and the environment, as well as to promote the realization of all rights. The United Nations must be flexible and coherent enough to respond to the operational and policy needs of developing countries, States experiencing conflict, stable low-income countries, emerging economies and developed countries. It should advocate global standards and norms and, in each country, should be focused on delivering results in line with country needs.

2. However, in the face of the preceding challenges, the United Nations is not optimally configured. The Organization urgently needs more coherence and synergy so it can perform as one and be more than the sum of its parts. It should utilize its unique universality, neutrality and capacity to operate in the security, development and humanitarian spheres. It should more successfully perform its roles of convener, standard-setter, advocate, expert, monitor, coordinator and manager of programmes. It should respond to the diverse needs of countries and perform as one at the country level, and have the governance, management and funding practices in place to support those efforts.

3. The recommendations contained in the report of the Secretary-General's High-level Panel on System-wide Coherence in the areas of development, humanitarian assistance and the environment (A/61/583), "Delivering as one", present an

07-29400 (E) 050407

important opportunity to address those issues in a comprehensive and consistent manner, to ensure that the Organization can respond to the global challenges of the twenty-first century and play a full and effective role at the heart of the multilateral system.

4. Having reviewed and assessed the recommendations put forward by the High-Level Panel, and in the light of the counsel provided by my predecessor, who commissioned the Panel's work, and with the benefit of having engaged in a range of informal consultations on different aspects of the Panel's report, I am pleased to signal my broad support for the principle of a stronger, more coherent United Nations and for the recommendations contained in the report.

5. The Panel's report puts forward a vision of significantly enhanced United Nations system-wide coherence, which I perceive to be very much in line with the demands and objectives of Member States and the concerns they have and continue to voice. That vision is predicated on overcoming fragmentation and bringing together the system's many assets in order to "deliver as one" at all levels, but particularly at the country level, in line with the principle of country ownership. I believe that this is vital, and as I was quoted as saying in the report of the Panel, "the true measure of the success for the United Nations is not how much we promise but how much we deliver for those who need us most".

6. The Panel's vision also gives due prominence to the need for the United Nations system to be results based and focused on performance and accountability. This imperative of efficiency, transparency and accountability is also very much at the heart of the demands from Member States for United Nations reform, and forms a cornerstone of my own priorities for the Organization.

7. The present report provides an overview of how I view the Panel's recommendations in the context of the wider United Nations reform agenda and suggests elements of a process for consideration of ways to take forward intergovernmental consideration of the Panel's report.

II. Consideration of the Panel's recommendations

8. As noted by my predecessor, the Panel's report is very rich in terms of analysis and recommendations and covers a great deal of ground. As he suggested in his transmittal note, the report merits a process of review and dialogue to build broad-based common understanding of its objectives, contents and proposals. Although the main consideration of and decision-making regarding the report's recommendations should be done by the General Assembly, other policymakers and actors need to be brought into the discussion to build deeper understanding and ownership of the proposals. Those steps include consultations within the Economic and Social Council and with the governing bodies of organizations of the United Nations system.

9. I believe that the proposals in the report should be pursued as an integrated and coherent whole, as the report was crafted as such with many of the recommendations connected to one another. Arrangements for its review should ensure that the different proposals in the report are addressed on their own merits, with outcomes that reinforce each other and advance, together, the overall objectives set by the Panel.

10. The report should be considered within the context of a number of ongoing reform processes. Clearly, the Panel, in formulating its recommendations, was mindful of the other processes and the progress and obstacles they have encountered. In that regard, many of its recommendations are consistent with existing mandates for reform. In those cases, the United Nations system should move ahead to improve coherence without unnecessary delays so as to avoid duplication of effort. Other areas will require fuller discussions and deliberations.

11. One such process, which is highly relevant in terms of the Panel's recommendations related to enhancing the coherence, effectiveness and efficiency of the United Nations at the country level, is the forthcoming triennial comprehensive policy review of operational activities for development of the United Nations system. A number of the Panel's recommendations reaffirm and give renewed impetus to ongoing reform initiatives mandated by the 2001 and 2004 triennial comprehensive policy reviews, which constitute the policy framework agreed at the intergovernmental level for the operational activities of the United Nations system. The 2007 triennial comprehensive policy review provides an important opportunity to consider and take forward relevant recommendations of the Panel, including assessing progress with regard to the pilot "One Country Programmes" recommended by the Panel.

12. Following consultations and at the request of interested Member States, the United Nations Development Group has initiated eight pilots in which the "One United Nations" approach will be tested. The pilots are being undertaken on a voluntary basis under government leadership and will consist of a subset of about 20 joint offices that the Organization has committed to initiate under the triennial comprehensive policy review implementation plan approved by the Economic and Social Council. This exercise will provide an essential test of the application of the principles advocated by the Panel in different countries, and an analysis of the results and experiences will be presented to the relevant governing bodies at the end of the year. I have endorsed the present exercise and encouraged the Chair of the United Nations Development Group to proceed. A number of issues related to the development of the One United Nations approach will need to be considered, including the following: the central concept of national ownership; the authority and accountability of the United Nations Resident Coordinator; and the role of the United Nations Development Programme (UNDP), as manager of the resident coordinator system on the one hand and in its programmatic role on the other. There should be clear delineations of responsibilities in the form of an internal "firewall" in UNDP. At the same time, the United Nations Development Programme's programmatic role should be supportive of the overall cohesion effort and be strategic and cross-cutting rather than sector or project focused. There also needs to be more clarity with regard to what would constitute an effective unified budgetary framework at the country level.

13. Similarly, there is an existing process dealing with United Nations reform issues in the area of the environment, namely the General Assembly informal consultative process on the institutional framework for the United Nations environmental activities. The Panel was cognizant of this process and interacted with it, emphasizing that its recommendations were complementary and intended to provide an impetus to deliberations in that forum. Consultations on the environment-related recommendations put forward by the Panel could thus be taken up by the Assembly's informal consultative process, as appropriate, taking into

consideration relevant discussions and decisions in other intergovernmental forums, including the Global Ministerial Environmental Forum of the United Nations Environment Programme Governing Council, the Council of the Global Environment Facility and the conferences of the parties to relevant multilateral environmental agreements. I will be giving due attention, in the light of the intergovernmental process, to the Panel's recommendation that I commission an independent and authoritative assessment of the current United Nations system of international environmental governance.

14. Progress is already being made with regard to the Panel's recommendation that the United Nations System Chief Executives Board for Coordination (CEB) undertake a review of its functioning, in the light of experience gained since its establishment five years ago, with a view to improving its performance and accountability for system-wide coherence. At the session of the CEB held during the fourth quarter of 2006, executive heads unanimously welcomed the broad thrust of the Panel's recommendations and were united in their desire to improve coherence and coordination and enact the necessary system-wide reforms. The Director-General of the International Labour Organization, Juan Somavia, and the Director-General of the World Trade Organization, Pascal Lamy, have been entrusted with the task of leading the CEB review, seeking the full engagement of all executive heads. The intention is for the first session of the CEB, which I will chair, in April 2007, to consider a preliminary set of proposals for action to strengthen the effectiveness and relevance of that body as a responsive and transparent high-level mechanism under the chairmanship of the Secretary-General, geared to advancing the overall coherence and impact of the United Nations system.

15. The Panel's recommendations are providing further impetus to reform measures on United Nations business practices, which are aimed at significantly enhancing performance and delivery of results. The recommendations are clearly very much in line with my priorities in such areas as transparency, accountability, efficiency and human resources development, including the promotion of staff mobility, and should be actively pursued in all relevant forums. Modernizing and achieving full compatibility on processes for resource planning, human resources, common services and evaluation are essential to turning the concepts of a more unified and coherent United Nations into reality. As much of the work falls within the purview of the CEB High Level Committee on Management, which encompasses representatives of all the agencies, funds and programmes of the United Nations system, a comprehensive progress report from CEB on its work in harmonizing business practices may be helpful to the General Assembly in facilitating its consideration of these matters.

16. Another area in which progress is already being made is with regard to certain recommendations in the humanitarian assistance section of the Panel's report. With respect to food security, advanced discussions among the Rome-based agencies of the United Nations system have already taken place, with a view to developing proposals for the consideration of relevant intergovernmental bodies. However, more needs to be done to further strengthen the Organization's role as a coordinator in terms of enhancing partnerships and its capacities to deal with the transition phase from relief to development. Moreover, more investment is urgently required in risk reduction and early warning, building on existing international initiatives to help mitigate or prevent natural disasters. The Panel makes good recommendations in those and other areas that should be further considered.

17. With regard to the Panel's recommendations to strengthen the Organization's gender architecture, I am in full agreement with the Panel's assessment of the need to consolidate and strengthen several current structures in a dynamic United Nations entity focused on gender equality and women's empowerment, which should mobilize forces of change at the global level and inspire enhanced results at the country level. It is also essential to stress that gender equality will remain the mandate of all United Nations entities. I will also continue to recruit competent women to become part of my senior team.

18. With regard to the proposal on gender equality and women's empowerment, including the establishment of an Under-Secretary-General for Gender Equality and Empowerment of Women, who would lead a consolidated and strengthened United Nations gender architecture subject to approval by the relevant intergovernmental process, the United Nations system and many Member States are united in their conviction that the recommendations would contribute to overall efforts to achieve the goals of gender equality and empowerment of women. However, I will await the outcome of the substantive discussions and consultations by Member States on the proposal in order to be guided further by the intergovernmental process. I hope that Member States will be able to reach a positive early agreement on this proposal so that we can take it forward.

19. With regard to the Panel's recommendations in the area of human rights, I am in full agreement with the Panel that human rights and other cross-cutting issues should be an integral part of United Nations activities. The United Nations High Commissioner for Human Rights, as the highest official of the United Nations responsible for human rights, should ensure the linkages between the normative work of the United Nations human rights mechanisms and operational activities. It is of utmost importance to support the Human Rights Council to make it into a truly effective body that has the credibility and authority to take forward the Human Rights agenda of the United Nations.

20. One area of the Panel's report which merits in-depth intergovernmental consideration is that of governance. I urge Member States to give due consideration to the recommendations of the Panel in that regard. In the view of the Panel, their recommendations taken together would encompass a framework for a unified and coherent United Nations structure at the country level, matched by more coherent governance, funding and management arrangements at the centre as well as by consistency and coherence at the regional level. The report's recommendations in this area constitute an important starting point for a process that requires further deliberation and discussion to develop a commonly owned vision that should enhance the coherence and efficiency of the intergovernmental structure and reflect the principle of country ownership. The preceding set of issues includes consideration of the proposals made by the Panel relating to the strengthening of the Economic and Social Council as the authoritative forum to ensure more efficient implementation of our common development agenda; the establishment of a Sustainable Development Board as an inclusive strategic overview and governance framework for the implementation of the "One United Nations" approach at the country level; and ensuring support to the Sustainable Development Board, once it is created, through an inter-agency Development Policy and Operations Group, within the CEB framework. This Group could either replace the United Nations Development Group or be a subgroup of the United Nations Development Group

explicitly given the task of supporting the new Board. I believe that the aim should be greater coherence at the Headquarters level to support coherence in the field.

21. With that in mind, I concur with the Panel's conclusion that more detailed and specific proposals for further streamlining and consolidation would require a more in-depth technical analysis than was feasible in the time frame available to the Panel. I will thus be giving due consideration to the Panel's proposal that I establish an independent task force to further eliminate duplication within the United Nations system, and consolidate United Nations entities, where necessary, building on the foundations of the Panel's work.

22. I intend to work and consult closely with Member States, the President of the General Assembly and the relevant intergovernmental bodies, which will play a critical role in moving the report forward. In that regard, I have asked the Deputy Secretary-General to oversee and support implementation of the system-wide coherence reform agenda. The Deputy Secretary-General will work closely with relevant senior United Nations officials who will be at the disposal of Member States to facilitate discussion in their respective areas of responsibility. The United Nations system is conscious of the need to urgently take steps to enhance overall coherence and effectiveness, but is equally aware of the need to ensure that efforts to act on the Panel's recommendations are guided by and respectful of the intergovernmental consideration of the Panel's report.

United Nations A/61/583

General Assembly

Distr.: General
20 November 2006

Original: English

Sixty-first session
Agenda item 113
Follow-up to the outcome of the Millennium Summit

Note by the Secretary-General

1. In the Outcome document of the 2005 World Summit (resolution 60/1), the Heads of State and Government recognized the importance of the unique expertise and resources that the United Nations system brings to global issues. The global leaders commended the extensive experience and expertise of the various development-related United Nations organizations and their important contributions to the achievement of the Millennium Development Goals and other broader development objectives.

2. However, the leaders recognized the need to build on ongoing reforms aiming at a more effective, coherent and better performing United Nations country presence. They specifically invited me to "launch work to further strengthen the management and coordination of United Nations operational activities so that they can make an even more effective contribution to the achievement of the internationally agreed development goals, including the Millennium Development Goals". The principal challenge for this work was identified as being in the fields of development, humanitarian assistance and the environment, while taking into account the cross-cutting areas of gender equality, sustainable development and human rights.

3. In putting in place arrangements for the study to be carried out in an expeditious and focused manner, it was my view that the United Nations system needed to further accelerate its efforts to support countries in meeting the Millennium Development Goals. Without a substantial renewed effort, the international community would not be able to live up to the ambition of the Millennium Development Goals. I considered that we required advice that brought together high-calibre political insight and managerial and operational know-how.

4. I asked three serving Prime Ministers, Prime Minister Shaukat Aziz of Pakistan, Prime Minister Luísa Dias Diogo of Mozambique and Prime Minister Jens Stoltenberg of Norway, to co-chair a High-level Panel on United Nations System-wide Coherence in the areas of development, humanitarian assistance and the environment. The Panel was composed of former Presidents Ricardo Lagos of Chile and Benjamin W. Mkapa of the United Republic of Tanzania and the following eminent international figures, Chancellor of the Exchequer Gordon Brown (United

06-62141 (E) 061206

Kingdom of Great Britain and Northern Ireland), former Chief Executive Officer and Chairman of the Global Environment Facility Mohamed T. El-Ashry (Egypt), President of the Canadian International Development Agency Robert Greenhill (Canada), Former Director-General for Development Cooperation Ruth Jacoby (Sweden), European Union Commissioner for Development and Humanitarian Aid Louis Michel (Belgium), Director General of the French Development Agency Jean-Michel Severino (France), Under Secretary for Economic, Business and Agricultural Affairs of the United States Department of State Josette S. Sheeran (United States of America) and Former State Secretary for Foreign Affairs Keizo Takemi (Japan). Representing the United Nations system, Kemal Derviş (Turkey) and Lennart Båge (Sweden) served as ex officio members of the Panel.

5. The Panel presented me with its report on 9 November 2006 and two co-chairs, Prime Minister Shaukat Aziz and Prime Minister Stoltenberg, joined me to launch the report at the informal briefing to the General Assembly, under the auspices of the President of the General Assembly.

6. The Panel report, entitled "Delivering as one", provides a clear and balanced analysis and series of ambitious but practical recommendations that can have a significant and long-lasting impact on the effectiveness and relevance of the United Nations system. In the area of development, the report recommends a "One United Nations" at the country level that has full country ownership, and is supported by a strengthened and more consolidated funding structure to substantially increase the effectiveness of United Nations interventions. Practical measures related to humanitarian assistance, environmental protection and gender equality and women's advancement will also strengthen the coherence, sustainability and impact of the United Nations delivery. The Panel has also proposed measures to strengthen coherence at the centre in the areas of governance, funding and management that are critical for a revamped United Nations development system. Moreover, many of the proposals are meant to ensure a much more effective integration and strengthening of the policy and normative role of the United Nations and better alignment with operational roles and structures.

7. I am very pleased to transmit the report of the Panel herewith to Member States for their consideration with my strong support for its recommendations. I urge the General Assembly to support their implementation as well.

Consultation process

8. I am also transmitting the Panel's report to my successor, Ban Ki-moon, to enable him to formulate specific proposals on how the Panel's recommendations should be taken forward. The new Secretary-General may wish to present a more detailed report on the Panel's recommendations once he has taken office. In this regard, I will be proposing to the new Secretary-General that he ensure that his office remain engaged in the oversight, coordination and tracking of the implementation of the report.

9. The Panel's report is very rich in terms of analysis and recommendations, and covers a great deal of ground. Therefore, it will be essential for there to be a process of informal dialogue on the Panel's report to build broad-based common understanding of its objectives, contents and proposals. These consultations should involve all delegations, senior officials from across the United Nations system and,

if possible, Government officials, country-level practitioners and other experts. This would allow for different perspectives to be heard and stakeholders to become equally informed and aware of the recommendations and their implications.

10. Although the General Assembly will play a critical role in the consultation and decision-making process related to the critical recommendations of the report, other policymakers and actors need to be brought into the discussion to build deeper understanding and ownership of the proposals. This would include consultations within the Economic and Social Council and its commissions, and the governing bodies of United Nations system organizations. In this regard, I have already requested the executive heads of the United Nations specialized agencies, funds and programmes to transmit the report to their individual governing bodies for consideration.

11. Existing conferences and meetings of regional and other groupings could also afford opportunities for informal discussions on the Panel's report. These dialogues could be organized on the report as a whole, or on the various thematic areas contained in the report. Participants should be drawn from all relevant stakeholders.

12. This process of informal consultations/dialogue could culminate in a formal meeting of the plenary of the General Assembly some time in 2007. Once this process is complete, the President of the General Assembly could initiate consultations in "a working group" mode, in order for the General Assembly to consider a resolution on the Panel's report.

13. There will also be extensive United Nations inter-agency discussions on the Panel's recommendations, guided by and respectful of the intergovernmental consideration of the Panel's report. This dialogue will be essential as implementation of the Panel's recommendations will demand not only strong and sustained support from Member States, but also collective leadership and ownership within the United Nations system. Many of the changes proposed will require that individual United Nations agencies, funds and programmes take a broader view in the overall interest of a more coherent United Nations.

14. In this regard, I was very encouraged by the positive preliminary reaction to the Panel's work that was expressed during the Fall session of the United Nations System Chief Executives Board for Coordination (CEB). I have taken this reaction to be a positive signal in terms of our prospects for enacting the necessary system-wide reforms. The United Nations system is clearly united in its desire to improve its coherence and coordination.

Moving forward

15. I have decided to move forward on some of these recommendations, especially since many build on reforms and initiatives that are already being carried out by the executive heads of the United Nations agencies, funds and programmes.

16. The first such recommendation is the establishment of the five pilot One Country Programmes by 2007. A number of countries have already expressed an interest in being among the pilot countries, and we are in the process of determining appropriate criteria to carefully select them. In order to maximize results, we will need to ensure that the One Country Programme is piloted in countries at different stages of development, where United Nations agencies, funds and programmes and

their counterparts are eager to work together to carry forward this pilot exercise. Some of the countries that are expressing an interest in being a pilot country would be building on the considerable progress already made in enhancing the coherence, effectiveness and efficiency of the United Nations at the country level. Well-designed and executed pilot programmes based on the principal of country ownership will provide the basis for further developing and expanding the One United Nations approach, as well as providing input to forthcoming deliberations on the triennial comprehensive policy review of operational activities for development of the United Nations system.

17. The second area that I will be moving forward is in the area of business practices. Great strides in improving performance and delivering results can be realized by implementing this set of recommendations, which clearly build on, and provide impetus to, many of the advances that the United Nations system has already made in this field. It will be essential that we swiftly modernize and achieve full compatibility on processes for resource planning, human resources, common services and evaluation, as these are important drivers of coherence in the United Nations system. In this regard, it is significant to note that the CEB High-Level Committee on Management is making real progress, including on human resource practices, results-based budgeting and the approval of the adoption of International Public Sector Accounting Standards by 1 January 2010. The Panel's recommendations will provide further impetus to this United Nations system-wide effort.

18. The third recommendation that I am taking forward concerns CEB, which I chair. CEB has been asked to undertake a review of its functioning, in the light of experience gained since its establishment in 2001, with a view to improving its performance and accountability for system-wide coherence. Such a review was discussed at the fall session of CEB, and was unanimously welcomed. The Director-General of the International Labour Organization (ILO), Juan Somavia, and the Director-General of the World Trade Organization (WTO), Pascal Lamy, have agreed to lead such a review.

19. I urge the executive heads of the United Nations agencies, funds and programmes to do everything possible to move these recommendations forward.

20. Finally, I have started the process to take forward the recommendation on strengthening the United Nations gender architecture in order to provide one strong and coherent voice on women's issues in the United Nations system, which can better contribute to the overall efforts to achieve the goals of gender equality and empowerment of women. In this regard, I have initiated the necessary steps to request the establishment of the Under-Secretary-General for Gender Equality and Empowerment of Women who would lead a consolidated and strengthened United Nations gender architecture once it is approved by the relevant intergovernmental process. The detailed proposal will be presented to the General Assembly in November 2006. I urge Member States to support it.

Letter dated 9 November 2006 from the Co-Chairs of the High-level Panel on United Nations System-wide Coherence in the areas of development, humanitarian assistance and the environment addressed to the Secretary-General

We have the privilege to transmit to you the report of the High-level Panel on United Nations System-wide Coherence in the areas of development, humanitarian assistance and the environment, entitled "Delivering as one".

The report puts forward a series of recommendations to overcome the fragmentation of the United Nations so that the system can deliver as one, in true partnership with and serving the needs of all countries in their efforts to achieve the Millennium Development Goals and other internationally agreed development goals.

Our research and consultations revealed that the United Nations system has both strengths and weaknesses. It is an indispensable instrument in an age of growing interconnection between peace and security, sustainable development and human rights. However, bold reforms are needed to improve the effectiveness of the United Nations in delivering its mandate and responding to new and growing challenges. A more united system would be a stronger, more responsive and effective United Nations. A system reconfigured to optimally use its assets and expertise in support of country needs and demands would strengthen the voice and action of the United Nations in development, humanitarian assistance and the environment. A repositioned United Nations — delivering as one — would be much more than the sum of its parts.

Our proposals encompass a framework for a unified and coherent United Nations structure at the country level. These are matched by more coherent governance, funding and management arrangements at the centre. We have sought to consolidate existing entities wherever necessary, and to eliminate unnecessary duplication and competition. In all areas, our proposals identify the comparative advantage of organizations and delineate functions, roles and responsibilities. We have formulated mechanisms that would enable policy consistency and strategies to modernize business practices for better performance and accountability. We have renewed our commitment to put into practice the principles of good multilateral donorship, and to ensure adequate, sustained and secure funding for organizations that upgrade their efficiency and deliver results.

The members of the Panel, while having different perspectives on some issues, all endorse the report and generally agree with its findings. From our extensive consultation process, we can assure you that there are important constituencies of support for each of the Panel's proposals. We believe that, if taken together and implemented, our recommendations will result in a stronger United Nations system, one that is fit to play the central role envisaged for it in the 2005 World Summit Outcome document.

Our report is addressed to you, but many of our recommendations will require commitment from and action by heads of Government and organizations of the wider United Nations system. Only through their leadership — and the commitment of the incoming Secretary-General — can we realistically forge the consensus and action required for a more cohesive United Nations system.

It has been an honour to take part in this work, and we thank you for the trust you have placed in us to lead this study. We also want to express our deep respect and thanks to all Panel members, who injected total commitment, enthusiasm and creativity into this important task.

We were supported in our work by a secretariat under the leadership of Executive Director Adnan Amin. Mr. Amin and his devoted staff allowed us to benefit from their great experience, invaluable knowledge and astute judgement during and between our deliberations. We are thankful for their dedication and hard work which allowed us to complete our work on time.

(*Signed*) Shaukat **Aziz**
Co-Chair
Prime Minister of the Islamic Republic of Pakistan

(*Signed*) Luísa Dias **Diogo**
Co-Chair
Prime Minister of Mozambique

(*Signed*) Jens **Stoltenberg**
Co-Chair
Prime Minister of Norway

Contents

		Paragraphs	*Page*
	Summary		9
I.	The case for reform	1–13	17
II.	Development, humanitarian assistance and the environment	14–51	21
	A. Development: delivering as one at the country level	14–19	21
	B. Humanitarian assistance and the transition from relief to development: strengthening the capacity to respond	20–29	24
	C. Environment: building a global consensus and capacity for action	30–39	28
	D. Cross-cutting issues: sustainable development, gender equality and human rights	40–51	32
III.	Governance, funding and management	52–88	38
	A. Governance: consolidating some functions, strengthening others	55–76	39
	B. Funding the United Nations system for results	77–81	50
	C. Reforming United Nations system business practices: building institutions of public trust	82–88	52
Annexes			
I.	Terms of reference of the Panel, issued on 15 February 2006		56
II.	Panel members		61
III.	Panel secretariat		62
IV.	Consultative process		63
V.	The United Nations system		66
	Acknowledgements		67

Beneath the surface of States and nations, ideas and language, lies the fate of individual human beings in need. Answering their needs will be the mission of the United Nations in the century to come

Secretary-General, Kofi **Annan**
Nobel Prize acceptance speech

The true measure of the success for the United Nations is not how much we promise but how much we deliver for those who need us most

Secretary-General-elect, **Ban** Ki-moon
Acceptance speech to the General Assembly upon election

Delivering as one

Report of the High-level Panel on United Nations System-wide Coherence in the areas of development, humanitarian assistance and the environment

Summary

In facing up to the challenges of their times, the world leaders of 60 years ago created new multilateral institutions — the United Nations, the International Monetary Fund and the World Bank — in the conviction that international cooperation was the best way to solve the challenges of the post-war world.

Today we too face significant challenges: ours is an era of global change that is unprecedented in its speed, scope and scale. As the world becomes more interdependent, we are increasingly exposed to acute and growing social and economic inequalities. Poverty, environmental degradation, and lagging development exacerbate vulnerability and instability to the detriment of us all. Achieving the Millennium Development Goals and wider internationally agreed development goals is central to our global economic stability and prosperity.

The United Nations played a crucial role in articulating the Millennium Development Goals. Now it needs to take action to achieve these and the other development goals and to support Governments in implementing their national plans. However, without ambitious and far-reaching reforms the United Nations will be unable to deliver on its promises and maintain its legitimate position at the heart of the multilateral system. Despite its unique legitimacy, including the universality of its membership, the status of the United Nations as a central actor in the multilateral system is undermined by a lack of focus on results, thereby failing, more than anyone else, the poorest and most vulnerable.

The 2005 World Summit in New York gave new impetus to the need for United Nations reform. At the initiative of the Secretary-General, the High-level Panel on System-wide Coherence in the areas of development, humanitarian assistance and the environment has worked for over six months to consider how the United Nations system can most effectively respond to the global development, environmental and humanitarian challenges of the twenty-first century.

We have undertaken a thorough assessment of the strengths and weaknesses of the United Nations system, holding consultations with stakeholders around the world. We commend the United Nations as the indispensable force that drives forward the discourse on human development by defining and creating a global consensus in support of the Millennium Development Goals and the other internationally agreed development goals; playing a leading role in developing the concept of sustainable development; responding rapidly to humanitarian disasters; and mobilizing international action for the protection of the environment. The United Nations system also continues to play an essential role as a convener, setting norms and standards and advising countries on their implementation at the global, regional, national and local levels.

However, we have also seen how the work of the United Nations in the areas of development and the environment is often fragmented and weak. Inefficient and ineffective governance and unpredictable funding have contributed to policy incoherence, duplication and operational ineffectiveness across the system. Cooperation between organizations has been hindered by competition for funding, mission creep and outdated business practices.

Delivering as one and overcoming systemic fragmentation is a central theme of our report. Taken as a whole, our recommendations could result in a step change in the way the United Nations operates at Headquarters, in each region and in each country. If implemented, the recommendations could deliver a better focus on performance, efficiency, accountability and results within the United Nations system, and could also enhance the role and voice of developing countries. These changes would secure and strengthen the role of the United Nations at the heart of the multilateral system.

We have developed a set of clear recommendations that are based on the following five strategic directions:

- Ensure coherence and consolidation of United Nations activities, in line with the principle of country ownership, at all levels (country, regional, Headquarters).
- Establish appropriate governance, managerial and funding mechanisms to empower and support consolidation, and link the performance and results of United Nations organizations to their funding.
- Overhaul business practices of the United Nations system to ensure a focus on outcomes, responsiveness to needs and the delivery of results by the United Nations system, as measured in advancing the Millennium Development Goals.
- Ensure significant further opportunities for consolidation and effective delivery of "One United Nations" through an in-depth review.
- Undertake implementation urgently but not in an ill-planned and hasty manner that could compromise permanent and effective change.

"One" is a central concept in the present report: the United Nations needs to overcome its fragmentation and deliver as one through a stronger commitment to working together on the implementation of one strategy, in the pursuit of one set of goals. We have come up with ambitious but realistic recommendations with the potential to radically change the way the organizations operate at Headquarters, in each region and in each country so as to enable the United Nations to achieve more than the sum of its parts.

The essence of our vision is for the United Nations to deliver as one in the areas of development, humanitarian assistance and the environment. The normative and analytic expertise of the United Nations, its operational and coordination capabilities and its advocacy role would be more effectively brought together at the country, regional and global levels. Member States should shape the governance structures, the funding framework and the business practices to make it so.

One United Nations for development — at the country level

We recommend the establishment of One United Nations at the country level, with one leader, one programme, one budget and, where appropriate, one office.

One third of United Nations country programmes include more than 10 United Nations agencies and in almost one third of them, less than US$ 2 million is spent by each United Nations agency. One United Nations should be based on a consolidation of all United Nations programme activities at the country level, where the country wishes it. The programme must be developed and owned by the country, in line with its own national priorities. Effective delivery requires a single budgetary framework.

To manage the One United Nations country programme there needs to be one leader — an empowered resident coordinator. The resident coordinator shall be selected on the basis of merit and competition demonstrably open to candidates outside the United Nations Development Programme (UNDP) and the United Nations system. To ensure system-wide ownership of the resident coordinator system, the role of UNDP must change. It should focus and strengthen its operational work on policy coherence and positioning of the United Nations country team, and should withdraw from sector-focused policy and capacity work being carried out by other United Nations entities.

We recommend that 5 One United Nations country pilots be established by 2007 and, subject to satisfactory review, 20 One United Nations country programmes by 2009, 40 by 2010 and all other appropriate programmes by 2012.

One United Nations for development — at the headquarters level

We recommend the establishment of a Sustainable Development Board to oversee the One United Nations country programmes.

A coordinating board is necessary to provide oversight for the One United Nations country programme, in particular to provide system-wide coherence, ensure coordination and monitor the performance of global activities. We propose that the existing joint meetings of the boards of UNDP/the United Nations Population Fund (UNFPA), the United Nations Children's Fund (UNICEF) and the World Food Programme (WFP) be merged into this strategic oversight body — the Sustainable Development Board — which would report to the Economic and Social Council.

The Board should comprise a representative subset of Member States on the basis of equitable geographic representation, and should enhance the participation and voice of developing countries. The Board would be responsible for endorsing the One United Nations country programme, allocating funding and evaluating its performance in advancing the objectives agreed with the programme country. The Board should also maintain a strategic overview of the system to drive coordination and joint planning among all funds, programmes and agencies, and to monitor overlaps and gaps.

We recommend that the Secretary-General appoint a Development Coordinator, with responsibility for the performance and accountability of United Nations development activities.

The UNDP Administrator should serve as the Development Coordinator. The Development Coordinator should report to the Board and be supported by a high-level coordination group, comprising the heads of principal development agencies and an expert secretariat drawn from across the United Nations system. The evolution of the role of UNDP as manager of the resident coordinator system requires the establishment of a code of conduct and a firewall between its streamlined operational activities and other functions.

We recommend that the Secretary-General establish an independent task force to further eliminate duplication within the United Nations system and consolidate United Nations entities, where necessary.

We do not advocate a single United Nations entity because many individual agencies can best achieve their vital role in providing global public goods, advocacy, research, promoting best practices and establishing global norms and standards by operating individually in their specific sectors.

However, it is clear that the United Nations system suffers from a large number of overlapping functions, coordination failures and policy inconsistencies. An independent task force should clearly delineate the roles performed by United Nations funds, programmes, specialized agencies and regional entities, including the United Nations Secretariat. It should make concrete recommendations for merging or consolidating duplicative functions and ensure the complementarity of mandates. The task force should report by the end of 2007 to the Secretary-General, with clear recommendations for early implementation. This exercise has the potential to release significant annual savings, possibly in the range of 20 per cent per annum; the exact amount should be assessed by analysis of the task force review. Efficiency savings should be recycled to the One United Nations country programmes.

Results-based funding, performance and accountability

We recommend the establishment of a Millennium Development Goals funding mechanism to provide multi-year funding for the One United Nations country programmes as well as for agencies that are performing well.

If the United Nations is to work more coherently and effectively, both at the country level and globally, significant changes are needed to the way donor funding is managed. Current United Nations funding patterns are highly fragmented, unpredictable and constrained by too much earmarking, which has encouraged duplication and inefficiency. This limits the United Nations and programme countries from making strategic decisions, and undermines the principles of multilateralism and country ownership.

A new Millennium Development Goals funding mechanism for voluntary donor funding (public, private and United Nations organizations) would provide multi-year funding for the One United Nations country programmes as well as for agencies that are performing well. The Sustainable Development Board would govern this mechanism. Donor contributions would be voluntary and could be specified. There

should also be additional funding available at the discretion of the Board to reward headquarters of funds, programmes and specialized agencies that are performing well and to fund programmatic gaps and priorities in the system. To deliver maximum impact in advancing country priorities, we urge donors to contribute multi-year funding and substantially to reduce earmarking.

We recommend that United Nations organizations committed to and demonstrating reform receive full, multi-year core funding.

Donors should support consolidated multi-year funding for the One United Nations country programme and core budgets of United Nations entities committed to reform. Donors would demonstrate by their actions that funding and performance are linked to results and reform.

Multi-year funding frameworks can be managed to increase focus on strategic priorities. Funding cycles of United Nations funds and programmes should be aligned to facilitate overall strategic coordination of United Nations programmatic work. The assessed budgets of the specialized agencies should be reviewed to ensure that they have sufficient core resources to deliver against strategic mandates.

The performance, funding and accountability of United Nations organizations are integrally linked. Funding must follow performance and reward results both for the One United Nations country programmes and Headquarters funding. The purpose of linking funding to performance is not to reduce funding but to improve outcomes. In fact, a more effective United Nations could be an important partner in effectively using additional official development assistance. The price of poor performance should not be paid by reduced United Nations funding into countries but by the management and institutions. A reformed United Nations system demonstrating improved outcomes would be better placed to capture increased aid.

The Sustainable Development Board, assisted by a special Development Finance and Performance Unit in its secretariat, should publish internal evaluations of United Nations system spending and performance, as well as evaluations of the plans of individual funds, programmes and agencies, to which the Board would have access. The performance of United Nations organizations in advancing internationally agreed development goals should be measured. These assessments would inform funding decisions, both by donors making direct contributions and through the discretionary funding mechanism for the Millennium Development Goals to be made available to the Board as discussed above.

The modernization and reform of business practices, to be led by the Secretary-General, should be implemented urgently. Processes for resource planning, human resources, common services and evaluation must achieve full compatibility as major drivers of coherence in the United Nations system. There should be greater opportunities for staff mobility and a system-wide agreement on results-based management, as well as independent United Nations system-wide evaluation and common evaluation methodologies and benchmarking. The United Nations must systematically grasp opportunities for expanding joint services.

Programme countries and donors should be able to see and compare the true overhead costs of delivery through the introduction and publication of consistent administration and back office costs.

To promote transparency and accountability, we recommend that a United Nations common evaluation system be established by 2008, on the basis of a common evaluation methodology.

Humanitarian assistance

The United Nations has a unique and leading role to play in humanitarian disasters and emergencies. We recommend that this role be further enhanced by:

- Stronger coordination between the United Nations, national Governments and non-governmental organizations, including the International Federation of Red Cross and Red Crescent Societies, through a "cluster" approach to establish lead roles in the delivery of specific assistance, such as shelter, water, food, etc.
- Fully funding the Central Emergency Response Fund to facilitate quicker, more effective flows of funds in response to disasters.
- Clarifying United Nations mandates with regard to responsibility for internally displaced persons.
- More investment in risk reduction, early-warning and innovative disaster assistance strategies and mechanisms.
- Stronger leadership, quicker funding and better cooperation in post-conflict and post-disaster transition, with a clear lead role for UNDP once humanitarian coordination winds down.
- Periodic assessment and review of the performance of United Nations agencies and non-governmental organizations involved in humanitarian assistance.

Environment

There is an increasingly compelling case for taking urgent action on the environment. Environmental priorities have too often been compartmentalized in isolation from economic development priorities. However, global environmental degradation — including climate change — will have far-reaching economic and social implications that affect the world's ability to meet the Millennium Development Goals. Because the impacts are global and felt disproportionately by the poor, coordinated multilateral action to promote environmental sustainability is urgently required.

We recommend that international environmental governance be strengthened and made more coherent in order to improve the effectiveness and targeted action of environmental activities in the United Nations system.

We recommend that, as a basis for reforms to improve system-wide coherence, the Secretary-General commission an independent assessment of international environmental governance within the United Nations system and related reform.

We recommend that the United Nations Environment Programme be upgraded and given real authority as the environmental policy pillar of the United Nations system.

We further recommend that United Nations entities cooperate more effectively on a thematic basis and through partnerships, with a dedicated agency at the centre.

As the major financial mechanism for the global environment, the Global Environment Facility should be strengthened to help developing countries build their capacity. It should have a significant increase in resources to address the challenge posed by climate change and other environmental issues.

We have also made a number of recommendations to make sure that the United Nations helps countries mainstream environment in their strategies and actions, to elevate the status of sustainable development in the United Nations institutional architecture and in country activities, and to achieve the needed balance among the three pillars (economic, social and environmental) of sustainable development.

Gender: a key to effective development

We recommend the establishment of one dynamic United Nations entity focused on gender equality and women's empowerment.

We consider gender equality to be central to the delivery of effective development outcomes, and the Secretary-General tasked us with a specific mandate to suggest radical changes for improving performance. We therefore propose a step change in the United Nations delivery of gender equality and women's empowerment, as follows:

- The three existing United Nations entities should be consolidated into an enhanced and independent gender entity, headed by an Executive Director with the rank of Under-Secretary-General, appointed through a meritocratic competition demonstrably open to those outside the United Nations.
- The gender entity would have a strengthened normative and advocacy role combined with a targeted programming role.
- The gender entity must be fully and ambitiously funded.
- Gender equality would be a component of all One United Nations country programmes.
- The commitment to gender equality is and should remain the mandate of the entire United Nations system.

Coordination with other multilateral agencies

The United Nations and the Bretton Woods institutions were established with the intention that they would work together in a complementary way. Over time both the World Bank and United Nations institutions have gradually expanded their roles, so that there is increasing overlap and duplication in their work. A balance needs to be struck between healthy competition and inefficient overlap and unfilled gaps. The

Bretton Woods institutions and the United Nations need to work more closely together to remove unnecessary duplication and build on their respective strengths.

We therefore recommend, as a matter of urgency, that the Secretary-General, the President of the World Bank and the Executive Director of the International Monetary Fund set up a process to review, update and conclude formal agreements on their respective roles and relations at the global and country levels. These reviews must be periodically updated as well as assessed. This process should be undertaken on the basis of the enhanced performance, strengthened delivery and more influential role that the United Nations will have if our reforms are implemented.

Implementation

We have proposed a comprehensive set of recommendations that taken together could make the United Nations much more responsive to the needs of its Member States, in particular developing countries. The United Nations would become more effective, more focused and better able to deliver results. If United Nations system organizations, Member States and all stakeholders act on our recommendations, the United Nations could become a driver in development to eradicate poverty, in partnership with civil society and the private sector. A reformed United Nations would be able to capture the increases in development resources that were committed in 2005, strengthening its enabling role in development and delivering more effective global public goods for the benefit of all.

The present recommendations are not a menu of options but an integrated whole. Each is individually vital to make the system greater than the sum of its parts, not smaller as has sometimes been the case. The recommendations should each be implemented with vigour and urgency and without diluting their purpose.

We recognize that implementing these reforms will involve significant challenges and sometimes the sacrifice of individual interests for United Nations agencies, funds and programmes. They will need to work more closely and effectively with the rest of the United Nations system in the interests of a greater common good. Donors will also be challenged by these recommendations, which propose changing the way they fund the United Nations in line with the principles of multilateralism and national ownership at different levels.

Our most important constituency are the billions who do not enjoy the prosperity and well-being that many of us take for granted and whose deprivation inspired a global call to action — the Millennium Development Goals. It is for the sake of the poor and the destitute that we need an efficient United Nations, one that is well governed and well funded and will remain a global repository of hope.

We have it within our grasp to make a real and lasting difference through the essential reforms set out in these proposals. All stakeholders in the United Nations system have a responsibility to seize this opportunity. Our actions and decision on reforms will for millions around the world make the difference between hope and despair, and for some the difference between life and death.

I. The case for reform

> *The world needs a coherent and strong multilateral framework with the United Nations at its centre to meet the challenges of development, humanitarian assistance and the environment in a globalizing world. The United Nations needs to overcome its current fragmentation and to deliver as one. It should help the world accomplish the ambitious agenda endorsed by the 2005 World Summit, the Millennium Development Goals and other internationally agreed development goals. It should enable and support countries to lead their development processes and help address global challenges such as poverty, environmental degradation, disease and conflict.*

1. In facing up to the challenges of their times, the world leaders of 60 years ago created new international institutions — the United Nations, the World Bank and the International Monetary Fund (IMF) — and demonstrated by their actions that international cooperation was the only way to solve the economic and political challenges of the post-war world. The architects of these institutions built for their time and their generation not only a whole set of new rules for the international system — they gave expression to a new public purpose based on high ideals.

2. Just as they did 60 years ago, we face a changing world today. Ours is the era of globalization, of global change unprecedented in its speed, scope and scale. As the world becomes ever more interdependent, sharp social and economic inequalities persist. Some of the poorest countries and communities remain isolated from economic integration and the benefits of globalization, and are disproportionately vulnerable to crisis and social upheaval. There is greater awareness of the acceleration of environmental degradation and climate change, and its effects on agricultural productivity and food security. More conflicts are within States than between them, and the risk of terrorism and infectious disease illustrate that security threats travel across borders.

3. Poverty, environmental degradation and lagging development heighten vulnerability and instability to the detriment of all. Now, more than ever, dealing with inequality — by achieving the Millennium Development Goals and wider development objectives — is central to economic stability and global security. In the face of unacceptable poverty we have a clear moral imperative to act when we have the knowledge, ability and resources to do so.

4. We know that when the flows of goods, services, capital and people are global, the challenges that arise can be solved only through globally concerted action. Globalization makes multilateralism indispensable, and the United Nations is the heart of multilateralism. Promoting development, eradicating poverty, protecting the environment for future generations and preventing and assisting in humanitarian crises cannot be undertaken without the United Nations. Its universal values and representativeness create the political legitimacy and authority essential to the actions needed globally, regionally, nationally and locally.

5. Despite deep divides in the international community in the past, in particular during the cold war, the United Nations has been able to build a set of norms and internationally agreed development goals that frame the efforts of most nations and institutions. The United Nations has demonstrated intellectual leadership across a

range of issues. For example, the annual *Human Development Report*, launched in the early 1990s, played a leading role in developing the concept of sustainable development and placed the well-being and dignity of people at the heart of the development agenda. At the 2000 Millennium Summit, 191 Member States, with 147 represented at the level of Head of State and Government, endorsed the United Nations Millennium Declaration. The United Nations can bring parties together, based on the unique legitimacy of its universal membership and on its diverse roles as a standard-setter, capacity-builder and advocate. Many of today's globally accepted norms and standards have originated from United Nations forums.

6. The United Nations has an opportunity in the unprecedented consensus reached on a common framework for the future, most recently reaffirmed by the 2005 World Summit. The framework is contained in the internationally agreed development goals of recent global conferences, ranging from social development to the empowerment of women, but is most compellingly outlined in the Millennium Development Goals. Never before have rich and poor countries alike formally embraced such concrete commitments. Never before have the United Nations, the World Bank, IMF and all parts of the international system come together behind the same set of development commitments and stood ready to be held accountable for them.

7. The United Nations has a key role in ensuring progress towards the Millennium Development Goals and other internationally agreed development goals. But it must reform to do so. Through the Secretary-General's High-level Panel on System-wide Coherence in the areas of development, humanitarian assistance and the environment, the international community has a unique opportunity to ensure that the United Nations can respond to the global challenges of the twenty-first century and play a full and effective role in the multilateral system.

8. The Monterrey Consensus of 2002 established a partnership for development, with donors making more official development assistance (ODA) and debt relief available within a context of continuing reform in developing countries, which was further elaborated in the Paris Declaration on Aid Effectiveness. In 2005 donors made further commitments to increase ODA by US$ 50 billion by 2010 and to provide US$ 55 billion in debt relief. A more effective and efficient United Nations should be an important partner in ensuring that those resources deliver results and accelerate progress towards the Millennium Development Goals.

9. These commitments go hand in hand with the Panel's recognition that the primary responsibility for action lies with each Member State. Country ownership of development plans and donor commitment to principles of aid effectiveness and good donorship have to underpin the work of the United Nations. Decades of piecemeal and failed development efforts demonstrate that assistance policies cannot be imposed — they must be owned not only by Governments but by their people and communities. While this concept is broadly accepted, it must now be put into practice.

10. We know that the United Nations has been seen by some to fail in delivering some of the vision and mission we expect from it. There are many reasons why the United Nations has become fragmented and weak: from a lack of buy-in and mixed messages from Member States between capitals and representatives in various bodies, to a proliferation of agencies, mandates and offices, creating duplication and dulling the focus on outcomes, with moribund entities never discontinued. Even

when mandates intersect, United Nations entities tend to operate alone with little synergy and coordination between them. The United Nations system now encompasses 17 specialized agencies and related organizations, 14 funds and programmes, 17 departments and offices of the United Nations Secretariat, 5 regional commissions, 5 research and training institutes and a plethora of regional and country-level structures. The loss of cohesion prevents the United Nations from being more than the sum of its parts.

- At the country level, operational incoherence between United Nations funds, programmes and agencies is most evident. More than one third of United Nations country teams include 10 or more United Nations agencies on the ground at any one time. Several teams include 20 or more. This has led to incoherent programme interventions and excessive administrative costs. It also burdens the capacity of developing countries to deal with multiple agencies. Of 60 countries analysed by the Panel, 17 country teams had an annual budget of less than US$ 2 million per agency. Nor does the normative and analytical expertise of non-resident agencies sufficiently support United Nations country team efforts. Without authoritative leadership by the United Nations resident coordinator, and system-wide ownership of the resident coordinator system, incentives for better coordination remain limited.

- Signs of fragmentation are also apparent at the regional level. Regional offices of different United Nations agencies are scattered in different locations, and definitions of regions can differ from one agency to another. In some regions strong regional and subregional institutions either exist or are rapidly evolving while others have strayed from their original mandates. This calls for a review of the United Nations regional roles and settings, including the regional commissions, to address regional needs, avoid duplication and overlapping functions and seek a coherent regional institutional landscape.

- More synergy is also needed at the global level. In some sectors, such as water and energy, more than 20 United Nations agencies are active and compete for limited resources without a clear collaborative framework. More than 30 United Nations agencies and programmes have a stake in environmental management. On specific issues, such as internally displaced people, several agencies have a legitimate interest, but none has a clear lead. Merging United Nations agencies does not always lead to better outcomes. But we believe there must be a significant streamlining of United Nations agencies so that the United Nations can “deliver as one”, reduce duplication and significantly reduce the burdens it currently places on recipient and donor Governments, without diluting the performance and expertise of individual organizations.

- Inadequate and unpredictable funding of the system also contributes to fragmentation, undermining the multilateral character of the United Nations. The exponential growth of extrabudgetary (non-core) versus core resources has encouraged supply-driven rather than demand-driven approaches to assistance, undermining the principle of country ownership. Lack of donor coordination and competition for non-core resources among United Nations agencies squander significant time and effort on fund-raising, undermining the ability of the United Nations to make long-term strategic decisions that would deliver more effective results. Nor does the United Nations have a common

system for its overall development funding or for measuring results transparently and systematically.

11. The international community has a duty to ensure that the United Nations is fit for purpose, reinvigorated and strengthened to meet the global challenges and diverse needs of an ever more interdependent world. To do this, the United Nations must be coherent and flexible enough to respond to demands for a variety of policy and operational services. A one-size-fits-all approach would be inappropriate.

12. As stakeholders in the United Nations system, we have a responsibility to agree on and present ambitious recommendations to improve the coherence of the United Nations so that it delivers as one in the areas of development, humanitarian assistance and the environment. The most radical decision we could take is to maintain the status quo. It would represent a victory for inertia and parochial, short-term institutional and national interests to maintain a system that has grown over time, and which no one facing the challenges we do today would design as it is. The Panel believes that reform to improve the coherence of the United Nations system must be underpinned by clear principles:

- *National ownership and people-centred approaches*. National sovereignty and national ownership of development plans must remain the bedrock of effective development. The system must be realigned to a demand-driven approach and to programmes delivered as close to beneficiaries as possible.
- *Core comparative advantage*. The United Nations needs to be flexible enough to respond to the operational and policy needs of all countries and to advocate global standards and norms. In each country it should focus on where it is best able to provide leadership — and withdraw from areas where it does not — to deliver results in response to country programme needs. The added value of the system lies in harnessing the full array of capabilities under its umbrella in an integrated way, not in seeking out narrow niches.
- *Maximum effectiveness and accountability*. Change must prepare the United Nations to address new challenges and to improve its performance measured by outcomes. Responsibility and authority must be clarified, and staff given the means to deliver on their mandates and be held accountable for them. Efficiency gains must be pursued through better business practices.

13. We must ensure that the United Nations is reformed and strengthened to deliver more effectively on its mandate to empower the vulnerable and the excluded. A United Nations able to respond flexibly can help to provide prosperity and justice for all. Our report is the starting point of a process to develop a commonly owned vision among all stakeholders for a coherent and effective United Nations system. It will require leadership by the Secretary-General, as well as sustained commitment and effort on the part of Member States and United Nations agencies. We are convinced that the implementation of this bold but realistic programme of recommendations will help to ensure that the United Nations development system remains fit to rise to the challenges of the twenty-first century.

II. Development, humanitarian assistance and the environment

A. Development: delivering as one at the country level

> *To bring about real progress towards the Millennium Development Goals and other internationally agreed development goals, we believe that the United Nations system needs to deliver as one at the country level. To focus on outcomes and improve its effectiveness, the United Nations should accelerate and deepen reforms to establish unified United Nations country teams — with one leader, one programme, one budgetary framework and, where appropriate, one office (see box 1). To deliver as one, United Nations country teams should also have an integrated capacity to provide a coherent approach to cross-cutting issues, including sustainable development, gender equality and human rights.*

Recommendation: The United Nations should deliver as one by establishing, by 2007, five One Country Programmes as pilots. Subject to continuous positive assessment, demonstrated effectiveness and proven results, these should be expanded to 20 One Country Programmes by 2009, 40 by 2010 and all other appropriate country programmes by 2012.

14. The Panel has been guided in its work by assessing whether the current structure and functioning of the United Nations system are fit for the development challenges of today and tomorrow. We have focused on the United Nations development activities at the country level, but we recognize that the role of the United Nations in development goes beyond its direct support to countries. The United Nations has a central role in promoting global policies that improve the development prospects of countries, and countries are increasingly turning to the United Nations for advice to address the challenges of globalization and other cross-border issues. Most important, the United Nations has provided Member States with a forum to reach consensus on internationally agreed development goals. These goals respond to the needs and aspirations of people, communities and countries everywhere and provide a framework for a comprehensive approach to development.

15. The success of these global commitments — from fighting hunger and poverty, to upholding core labour standards, to containing the global HIV/AIDS pandemic — can be measured only by their translation into concrete results for countries and communities. Development objectives can be achieved only if countries define, own and drive their development processes at all levels. Country-led development frameworks, such as poverty reduction strategies, are seen as the main vehicle to achieve the internationally agreed development goals. They serve as a platform for aligning all partners' contributions to national development priorities and provide an inclusive forum for policy dialogue. We believe that the United Nations needs to be a more active player in this context — as an adviser to Governments, as a convener of stakeholders, as an advocate for international norms and standards and as a source of technical assistance and advice on how to build and strengthen institutions.

16. At the country level, the United Nations often struggles to fulfil such strategic roles, working with systems and approaches (from programming to funding to

reporting) that are fragmented, piecemeal and not designed for this purpose. More than a third of the United Nations country teams include more than 10 United Nations entities, some more than 20. The cost of doing business with the United Nations is thus too high for both recipient countries and donors. Today there are many other actors active in development, such as NGOs, foundations and the private sector, and the country presence of bilateral donors is growing. In this new development landscape — with many players providing multifaceted contributions to development — the United Nations needs to reposition itself to deploy its normative and policy capacity more effectively.

17. The current design of the United Nations system risks perpetuating a myriad of niche players, which individually will not have the influence and authority to secure a strong voice in national and global debates. We have heard in our consultations that unifying the United Nations at country level would compromise the characteristics and dynamism of individual agencies. But failing to strategically position the United Nations in its entirety risks marginalizing the whole system in the long term.

Box 1
One United Nations at the country level — key features

One programme

- Country owned and signed off by Government, responsive to the national development framework, strategy and vision, including the internationally agreed development goals.
- Building on the United Nations country team's common country assessment or national analysis and reflecting the United Nations added value in the specific country context.
- Strategic, focused and results-based, with clear outcomes and priorities, while leaving flexibility to reallocate resources to changes in priorities.
- Drawing on all United Nations services and expertise, including those of non-resident agencies, in order to effectively deliver a multisectoral approach to development (with due attention to cross-cutting issues).

One leader

- Resident coordinator authority to negotiate the One Country Programme with the Government on behalf of the entire United Nations system and to shape the One Country Programme (including the authority to allocate resources from pooled and central funding mechanisms).
- Clear accountability framework for resident coordinators and an effective oversight mechanism for the resident coordinator system.

- Resident coordinator authority to hold members of the team accountable to agreed outcomes and for compliance with the strategic plan. The resident coordinator should also be accountable to the members of the United Nations country team.
- Strengthened resident coordinator capacity with adequate staff support to manage United Nations country team processes and ensure effective dialogue and communication with partners.
- Competitive selection of resident coordinator candidates, drawn from the best talent within and outside the United Nations system.

One budgetary framework

- Transparency, management, and the effective implementation of the One Country Programme through one budgetary framework.
- Funding should be linked to the performance of the United Nations country team preparing and implementing a strategic One Country Programme.
- The budget should be completely transparent, showing clearly the overheads and transaction costs of the United Nations and all of its funds, programmes and specialized agencies in the country.

One office

- One integrated results-based management system, with integrated support services.
- Joint premises (where appropriate).
- A common security infrastructure and clear lines of accountability.

18. Recent changes to the resident coordinator system have somewhat improved the way the United Nations operates in countries, but resident coordinators are not equipped with the authority to provide effective leadership to all the United Nations entities operating in the country. Too often, "reform" has meant adding extra layers of bureaucracy, outweighing potential benefits. And successful reform has depended too heavily on the commitment of individuals rather than on institutional capacity, needed to ensure that a good practice becomes the best global practice. Greater ownership and accountability of the resident coordinator system to all organizations of the United Nations needs to be secured.

Recommendation: United Nations resident coordinators should have the authority to lead the One Country Programme. To perform this function, resident coordinators should have appropriate competencies, capabilities and support capacities. Their enhanced authority should be matched by a clear accountability framework and an effective oversight mechanism to ensure system-wide ownership of the resident coordinator system.

19. To effectively implement the "One United Nations" at the country level, significant changes would be needed in the governance and funding of the United

Nations development activities (recommendations in this regard are made in chap. III below). The role of the United Nations Development Programme (UNDP) in managing the resident coordinator system would also have to evolve significantly to engender ownership among other United Nations agencies, and eliminate duplication of programmatic activities.

Recommendation: UNDP will consolidate and focus its operational work on strengthening the coherence and positioning of the United Nations country team delivering the One Country Programme. As manager of the resident coordinator system, UNDP should set a clear target by 2008 to withdraw from sector-focused policy and capacity work for which other United Nations entities have competencies. UNDP programmatic work should be limited to interventions that strengthen the coherence and overall positioning of the United Nations country team:

- Promoting and supporting the United Nations work to help countries achieve the Millennium Development Goals and other internationally agreed development goals and poverty reduction through supporting governments in integrating the Millennium Development Goals into their national development strategies, assessing needs and monitoring results.
- Leading the United Nations support to governance.
- Leading and coordinating the United Nations work in crisis prevention, post-conflict, post-disaster and early recovery (see chap. II.B).

In addition, UNDP would continue its support to mainstreaming environmental issues into national development strategies at the country level, in cooperation with the United Nations Environment Programme (UNEP) and other relevant United Nations organizations (see chap. II.D).

Recommendation: To ensure that there is no potential for, or perception of, a conflict of interest, UNDP should establish an institutional firewall between the management of its programmatic role and management of the resident coordinator system (including system-wide strategic and policy support). This separation of functions will also ensure that all parts of the United Nations system have a greater stake in the ownership of the resident coordinator system. UNDP will develop a code of conduct, including a transparent mechanism to evaluate the performance of its country operations. This should be done in consultation with all relevant United Nations organizations and the agreed code of conduct should be formally approved by the Sustainable Development Board (see chap. III). The redesign of the UNDP organizational structure should include a clear separation of responsibilities, senior managers and budgets between UNDP management of the resident coordinator system and its programmatic activities.

Milestone: By the end of 2007 UNDP will have finalized a code of conduct and by the end of 2008 it will have implemented the firewall and restructuring.

B. Humanitarian assistance and the transition from relief to development: strengthening the capacity to respond

Humanitarian response should be improved through a closer partnership between the United Nations, Governments and NGOs,

making full use of the coordination role of the United Nations. The Central Emergency Response Fund must be fully funded from additional resources. There should be clear responsibilities within the United Nations system for addressing the needs of internally displaced persons. Development should be an integral part of any peace process. There should be clear leadership by UNDP on early recovery from conflict and natural disasters, as well as flexible United Nations funding. National development strategies and donors should invest more in risk reduction and early warning, building on existing international initiatives. The private sector and communities should be included in formulating strategies.

Humanitarian assistance

20. Since the appointment of the Emergency Relief Coordinator in 1991 and the establishment of the Office for the Coordination of Humanitarian Affairs in 1997, the United Nations emergency response capacity has become stronger. Operational agencies — such as the World Food Programme (WFP), the Office of the United Nations High Commissioner for Refugees (UNHCR) and the United Nations Children's Fund (UNICEF) — continue to respond well in humanitarian relief, based on established principles of humanity, impartiality and neutrality. Mechanisms for inter-agency coordination, such as the Inter-Agency Standing Committee and the Executive Committee for Humanitarian Affairs, have enhanced coordination between the humanitarian organizations of the United Nations and with non-United Nations partners. For 2006 United Nations humanitarian appeals amount to US$ 4.7 billion, for some 31 million beneficiaries in 26 countries. Significant challenges remain, however, in both coordination and funding.

21. To build strong United Nations leadership at the field level and support country ownership and cooperation, efforts to strengthen the humanitarian coordinator need to be intensified. The cluster lead agency system, adopted by the United Nations system in 2005, helped identify organizational leaders in different areas of humanitarian response, but the experience of its first year of implementation indicates that it should need to broaden to include national partners, NGOs and the Red Cross movement.

22. As a result of the increase in intrastate conflict, there are more than 25 million internally displaced persons, compared with 10 million refugees. The humanitarian system must evolve further to address this growing problem. A clear allocation of responsibility within the United Nations system is needed. UNHCR must reposition itself to provide protection and assistance for displaced people in need, regardless of whether they have crossed an international border.

23. Humanitarian funding remains crucial in influencing the United Nations response capacity, and there has been progress in developing a more coherent approach. But the consolidated appeals process, with all United Nations agencies and some non-United Nations agencies participating, still suffers from unpredictability and under-funding. And three years after the adoption of the good humanitarian donorship principles, the predictability of assistance has not yet improved substantially. The recently established Central Emergency Response Fund has facilitated faster, more effective responses, but current funding (US$ 262 million) is only halfway to the funding target.

24. Steps towards greater coherence must include efforts to increase United Nations accountability through more effective communication with affected populations and donors. Better information flows are crucial for the United Nations to be even more effective in emergency situations. Transparent, periodic and independent assessments of the global response to humanitarian emergencies can help identify gaps in coherence and failures of coordination. The Panel therefore recommends that the United Nations take the lead in preparing a regular and independent assessment of the performance of the United Nations and the wider humanitarian system in responding to humanitarian emergencies.

Recommendation: To avoid a fragmented approach to humanitarian assistance, there should be stronger partnership arrangements between the United Nations, national Governments, the International Federation of Red Cross and Red Crescent Societies and NGOs, based on the coordination and leadership roles of the Emergency Relief Coordinator at the global level and the humanitarian coordinator at the country level. These arrangements should support and ensure effective and inclusive participation in the cluster lead agency approach. Procedures, including the definition of "provider of last resort" and how this relates to the position of cluster leader, need to be clarified.

Recommendation: The Central Emergency Response Fund should be fully funded to its three-year target of US$ 500 million from additional resources. A substantial increase should be considered over the coming five years, following a review of its performance. Donors must implement the agreed principles of good humanitarian donorship and provide adequate resources based on needs assessments, particularly to crisis situations now under-funded. They should ensure that their pledges are honoured promptly. The Consolidated Appeals Process should set clearer priorities, based on joint assessments, coordination and action.

Recommendation: The humanitarian agencies should clarify their mandates and enhance their cooperation on internally displaced persons. In particular, the role of UNHCR should be reviewed, to establish a clear mandate and to further strengthen the effectiveness of the United Nations approach to addressing the needs of internally displaced persons.

Transition from relief to development

25. For countries emerging from conflict, the immediate international response is dominated by political mediation and reconciliation. The current United Nations approach tacitly emphasizes immediate stability over sustainable peace. Symptoms of conflict are often addressed, while root causes are often not addressed. For countries recovering from natural disaster, and in supporting nationally owned strategies, it is imperative to integrate vulnerability and risk reduction into all phases of recovery and development planning. In July 2006, the Tsunami Evaluation Coalition stated that successful post-disaster reconstruction required an understanding of ongoing political, economic and social processes that enable and constrain affected populations as they rebuild their lives. A clear lead capacity on the development aspects of the post-disaster recovery process, charged with early coordination and planning, should be established at United Nations Headquarters within UNDP.

26. Since the 2000 Brahimi report on peacekeeping operations, integrated United Nations peacekeeping and peacebuilding missions have improved coordination by

bringing the development arm of the United Nations under the direct leadership of the Special Representative of the Secretary-General. Better development strategies for post-conflict peacebuilding are needed to guide such missions. The Peacebuilding Commission should be the forum that encourages the development of peacebuilding strategies on the ground.

27. Unlike peacekeeping operations, which are funded by assessed contributions, humanitarian and development activities depend on unpredictable voluntary pledging conferences. The management of funds in support of development in conflict countries has increasingly been placed in the hands of the World Bank, often disbursed only when Government structures are firmly in place. In many countries the donors have sought flexibility and directly transferred funds to UNDP trust funds, especially when Government capacity is not strong. Cooperation between the United Nations and the World Bank requires a clearer division of labour based on realities on the ground. Efforts should be made to strengthen response with more flexible United Nations interim funding mechanisms that could address transition issues faster and more effectively.

Recommendation: The repositioned UNDP should become the United Nations leader and coordinator for early recovery. While building standing and surge capacity to take the lead role when humanitarian coordination winds down, UNDP should work closely with the World Bank and other development and humanitarian agencies, using the sectoral programming capacity of other relevant United Nations agencies. All early recovery activities should conform to national priorities, with national authorities managing the recovery process as soon as they have the capacity to do so.

Recommendation: Adequate funding for the United Nations role in early recovery should be ensured, even before a donor conference is held or a United Nations/World Bank Multi-Donor Trust Fund is operational. If the Peacebuilding Fund or the UNDP Thematic Trust Fund for Crisis Prevention and Recovery is not able to provide resources immediately, a country-specific fund for early recovery can be set up, linked to these overall funding mechanisms. The initial funding target of the Peacebuilding Fund of US$ 250 million should be met by 2007.

Recommendation: To build long-term food security and break the cycle of recurring famines, especially in sub-Saharan Africa, WFP, the Food and Agriculture Organization of the United Nations (FAO) and the International Fund for Agricultural Development should review their respective approaches and enhance inter-agency coordination. Complementary strategies should be further developed to strengthen local capacity and resilience to mitigate and cope with consequences of famines.

Reducing risk

28. In the first eight months of 2006, 91 million people had their lives devastated by natural disasters. Reducing the risk of disaster must be linked to humanitarian, development and environmental approaches. With more than 75 per cent of the world's people living in disaster-prone areas, risk reduction has been recognized as a cost-effective strategy to protecting livelihoods and achieving the internationally agreed development goals. The Hyogo Framework for Action (2005-2015), agreed to by Governments in 2005 as the international framework for disaster reduction, has created an agenda, taking into account the need for a strong sense of ownership,

including collaboration with civil society and the private sector, and ensuring the awareness and capacity of local governments and communities. The International Strategy for Disaster Reduction and the new World Bank-hosted Global Facility for Disaster Reduction and Recovery are making progress on this, but more coherent action is required.

29. There is insufficient "disaster-proofing of the Millennium Development Goals", through mainstreaming risk reduction in development strategies. The Tsunami Evaluation Coalition revealed that, despite advances in early warning systems, the Tsunami response had failed to enhance local preparedness or reduce long-term vulnerability. Further investment at country and community levels is required, and the responsibilities and capacities of the United Nations system have to be further specified and enhanced.

Recommendation: The United Nations efforts on risk reduction should be urgently enhanced, through full implementation and funding of international agreements and other recent initiatives and the involvement of communities. National development strategies should address risk reduction explicitly and should be the basis on which donors plan their contributions to risk reduction and how they report these contributions as part of international and national risk reduction targets. UNDP should take the lead on this issue in the United Nations, particularly at the country level. In addition, the Office for the Coordination of Humanitarian Affairs, UNDP, UNEP, the World Meteorological Organization (WMO), and WFP with the International Strategy for Disaster Reduction secretariat should build a joint programme for early warning, drawing on existing capacities of funds, programmes and specialized agencies.

Recommendation: The United Nations should continue to build innovative disaster assistance mechanisms, such as private risk insurance markets, as means to provide contingency funding for natural disasters and other emergencies. Consideration should be given to efforts such as the WFP pilot humanitarian insurance policy in Ethiopia to provide coverage in the case of an extreme drought during the country's 2006 agricultural season. The Emergency Relief Coordinator should work with United Nations country teams and agencies on designing such event-specific contingency funding to reduce the reliance on the Central Emergency Response Fund.

C. Environment: building a global consensus and capacity for action

Deteriorating environmental trends have far-reaching economic, social and health implications and affect the world's ability to meet the Millennium Development Goals. Substantial gains in efficiency and effective responses can be made through enhanced coordination and improved normative and operational capacity, in particular through the integration of environment into national development strategies and United Nations system country operations. To improve effectiveness and targeted action of environmental activities, the system of international environmental governance should be strengthened and more coherent, featuring an upgraded UNEP with real authority as the United Nations environment policy pillar. Synergy needs to be pursued between the United Nations organizations that address environment, and multilateral

environmental agreements should continue to pursue efficiencies and coordination among themselves. An independent assessment of the current United Nations system of international environmental governance is required to support ongoing efforts at reform.

30. There can be no long-term development without environmental care. In a global and interdependent world economic objectives and environmental objectives increasingly reinforce each other. Environmental priorities — including climate change — have too often been compartmentalized and separated from economic development priorities. However, because the impacts are global and felt disproportionately by the poor, environmental sustainability is not an option — it is an imperative. The Panel is united in its conviction that addressing worsening trends of environmental degradation is one of the greatest collective challenges for economic development and human welfare.

31. We possess fairly comprehensive knowledge and understanding of what we individually and collectively need to do to reverse these trends — all spelled out in reports, declarations, treaties and summits since the early 1970s. While we have made significant advances within the United Nations framework, what is needed now is a substantially strengthened and streamlined international environmental governance structure, to support the incentives for change required at all levels.

32. The Panel recognizes that relatively little headway has been made in integrating the environment in development strategies at the country level, or in implementing internationally agreed goals. Environmental issues and goals must now be better integrated within United Nations system country operations, as critical components of national poverty reduction strategies and sustainable development plans. Bearing in mind that environmental sustainability is the foundation for achieving all the other Millennium Development Goals, there must be a strengthening of human, technical and financial capacities in developing countries to mainstream environmental issues in national decision-making, particularly through the resident coordinator.

33. The increase in the incidence and severity of natural disasters with environmental causes demonstrates the need to strengthen the links between environmental and humanitarian activities and between environmental and development activities. The United Nations system needs to incorporate more knowledge in its work on preparedness and risk reduction for natural disasters and for post-disaster recovery and reconstruction.

34. The United Nations institutions for the environment must be optimally organized and tooled, drawing on expertise in different parts of the United Nations system. Unless the United Nations adopts more comprehensive approaches, it will continue to fall short of its goals. The Panel is cognizant of the ongoing General Assembly informal consultative process on international environmental governance and has interacted with the process. Our recommendations should give it greater impetus.

35. Fragmented institutional structures do not offer an operational framework to address global issues, including water and energy. Water is an essential element in the lives of people and societies, and the lack of access to water for basic needs inflicts hardship on more than 1 billion people. Similarly, energy is a main driver of development, but current systems of energy supply and use are not sustainable

(more than 2 billion people in developing countries do not have access to modern energy services). More than 20 United Nations organizations are engaged at some level in water and energy work, but there is little evidence of overall impact.

36. The inadequacy of the current system is the result of having outgrown its original design. Developing countries are unable to cope with the extensive reporting and participation requirements of the current multilateral environmental structure, which has depleted expertise and resources for implementation. A survey by the Panel revealed that the three Rio Conventions (biodiversity, climate and desertification) have up to 230 meeting days annually. Add the figures for seven other major global environmental agreements (not including regional agreements) and that number rises to almost 400 days.

37. As environmental issues have become more clearly defined and interlinked, they have come to influence the work of practically every United Nations organization, all competing for the same limited resources. The institutional complexity is further complicated by the substantial environment portfolios of the World Bank and regional development banks, which are not well coordinated with the rest of the United Nations system. In addition, UNEP, the principal environment organization of the United Nations — with its normative, scientific, analytical and coordinating mandate — is considered weak, under-funded and ineffective in its core functions.

38. Climate change, desertification, ecosystem decline, and dispersion of hazardous chemical substances have the potential to affect every part of the globe and require clear and forceful responses by the United Nations system. Cooperation should be close among UNEP, UNDP, WMO, the Global Environment Facility (GEF) and the World Bank for building scientific and technical capacity, managing investment and infrastructure components, supporting adaptation measures and facilitating an effective integration of global environmental concerns into the development policy frameworks at the country level. GEF, the specialized funding instrument to help developing countries undertake projects and programmes that protect the global environment, has been replenished in 2006 — but will require a significant increase in resources to address future challenges. Its policy requirements and operational procedures need to be made much more simple and compatible with the development framework at the country level.

39. It is the judgement of the Panel that the international community must transcend differences and move forward. Economic growth, social justice and environmental care, advance best when they advance together. It is in our shared interest to have institutions that enable us to respond collectively to the threats of environmental degradation that challenge us all. To deliver on the internationally agreed goals and commitments, the United Nations will require stronger leadership and greater capacity for environmental activities. In this regard, cooperation and partnerships with civil society organizations, including the private sector, are essential.

Recommendation: International environmental governance should be strengthened and more coherent in order to improve effectiveness and targeted action of environmental activities in the United Nations system. It should be strengthened by upgrading UNEP with a renewed mandate and improved funding.

Recommendation: An upgraded UNEP should have real authority as the environment policy pillar of the United Nations system, backed by normative and analytical capacity and with broad responsibility to review progress towards improving the global environment. UNEP should provide substantive leadership and guidance on environmental issues.

- The technical and scientific capacity of UNEP should be strengthened as the environmental early-warning mechanism of the international community and for monitoring, assessing and reporting on the state of the global environment. This can be achieved through a system of networking and drawing on the work of existing bodies, including academic institutions and centres of excellence and the scientific competence of relevant specialized agencies and scientific subsidiary bodies of multilateral environmental agreements.
- Capacity should be built to promote the implementation of international commitments. The Bali Strategic Plan for Technology Support and Capacity-building should be strategically implemented to provide cutting-edge expertise and knowledge resources for the sustained expansion of capacity at the country level. Where necessary, UNEP should participate in United Nations country teams through the resident coordinator system, as part of One United Nations at the country level.
- UNEP should take the lead in assisting countries in the two-step process of quantifying environmental costs and benefits and incorporating them into mainstream policymaking, in cooperation with UNDP and the Department of Economic and Social Affairs of the Secretariat.

Recommendation: United Nations agencies, programmes and funds with responsibilities in the area of the environment should cooperate more effectively on a thematic basis and through partnerships with a dedicated agency at the centre (such as air and water pollution, forests, water scarcity, access to energy and renewable energy). This would be based on a combined effort towards agreed common activities and policy objectives to eliminate duplication and focus on results.

- Greater coordination at Headquarters should promote coherence at the country level, and greater coordination efforts at the country level should promote coherence at the international level. There is a need to strengthen UNEP coordination of system-wide environmental policies in order to improve cohesion and consistency. In this regard, the Environmental Management Group should be given a clearer mandate and be better utilized. It should be linked with the broader framework of sustainable development coordination.

Recommendation: Efficiencies and substantive coordination should be pursued by diverse treaty bodies to support effective implementation of major multilateral environmental agreements. Such coordination is being pursued by the Basel, Rotterdam and Stockholm convention secretariats (pending decisions of their respective conferences of the parties).

- Stronger efforts should be made to reduce costs and reporting burdens and to streamline implementation. National reporting requirements for related multilateral environmental agreements should be consolidated into one comprehensive annual report, to ease the burden on countries and improve coherence.

- Countries should consider integrating implementation needs of multilateral environmental agreements into their national sustainable development strategies, as part of the One Country Programme.
- Governing bodies of multilateral environmental agreements should promote administrative efficiencies, reducing the frequency and duration of meetings, moving to joint administrative functions, convening back-to-back or joint meetings of bureaux of related conventions, rationalizing knowledge management and developing a consistent methodological approach to enable measurement of enforcement and compliance.

Recommendation: GEF should be strengthened as the major financial mechanism for the global environment. Its contribution in assisting developing countries in implementing the conventions and in building their capacities should be clarified, in conjunction with its implementing and executing agencies. A significant increase in resources will be required to address future challenges effectively.

Recommendation: The Secretary-General should commission an independent and authoritative assessment of the current United Nations system of international environmental governance. To be completed as soon as possible and taking previous work into account, the assessment would review global needs as well as the specific roles and mandates of UNEP and other United Nations agencies and multilateral environmental agreements. It would provide the basis for further reforms towards improving system-wide coherence, effectiveness and targeted action. It should be complementary to the General Assembly informal consultative process on the institutional framework for the United Nations environmental activities, which should continue its work and provide guidance on the subject. The assessment should include an analysis of proposals to upgrade UNEP from among a range of organizational models.

D. Cross-cutting issues: sustainable development, gender equality and human rights

40. In promoting sustainable development, gender equality and human rights, the United Nations has strong mandates and Member States have committed themselves to achieving ambitious goals. The Panel recommends that cross-cutting issues must be an integral part of United Nations activities, particularly when delivering as One United Nations at the country level.

Sustainable development

The status of sustainable development should be elevated within the United Nations institutional architecture and in country activities. The United Nations system must strive for greater integration, efficiency and coordination of the economic, social and environmental dimensions of sustainable development. At the operational level, the Panel supports a strong partnership between UNEP (normative) and UNDP (operational) and a sharper focus on environment by the resident coordinator system as part of the One United Nations at the country level. The Panel calls for the Economic and Social Council to establish a sustainable development segment — and for continuing reform of the Commission on Sustainable

Development that truly leads to integrated decision-making on economic, social and environmental issues.

41. The visionary blueprint for sustainable development, outlined in Agenda 21 and adopted at the 1992 United Nations Conference on Environment and Development, is under way but has yet to be realized. Even though the General Assembly adopted sustainable development as part of the overarching framework of United Nations activities, the international community is still falling short in implementation and needs to improve the institutional framework for sustainable development.

42. This was clearly acknowledged by world leaders in 2002 at the World Summit on Sustainable Development. They stressed the need for greater integration, efficiency and coordination of the economic, social and environmental dimensions of sustainable development. Governments also agreed that strengthening the international institutional framework for sustainable development is evolutionary. The international community needs to keep relevant arrangements under constant review, identifying gaps and eliminating duplication.

43. Member States and international institutions continue to treat poverty, human health and environmental degradation as standalone threats. The United Nations system should assist countries in their integration, tackling the challenges of sustainable development across different sectors and issues.

44. The Commission on Sustainable Development was envisaged as a high-level forum that would bring economic and environmental decision makers together and provide an opportunity for frank dialogue, deliberation and problem-solving. The Panel believes that the Commission has proved successful as a model for incorporating stakeholders and as a forum to interact and exchange ideas. It has been far less effective in ensuring that the promise of integrating environment and development is fulfilled. The Commission's mandate has been broadened considerably to include sectoral assessments of natural resources. Focusing on environmental issues alone, the Commission has contributed to overlaps and often unclear divisions of labour.

45. The Panel's recommendations for development, humanitarian assistance, environment and gender equality and human rights should be viewed in the context of sustainable development. The recommendations here deal more with elevating the status of sustainable development in the United Nations institutional architecture and in country activities — and with achieving the needed balance among the three pillars (economic, social and environmental) of sustainable development.

Recommendation: A stronger partnership between UNEP (normative) and UNDP (operational) should build on their complementarities. They should:

- Integrate environment in country-owned development strategies through the resident coordinator system.
- Strengthen the analytical and technical capacities of national institutions.
- Work with countries in implementing multilateral environmental agreements.
- Contribute the environmental perspective in disaster preparedness and post-disaster recovery and reconstruction.

- Implement the strategic approach agreed to in the Bali Strategic Plan for Technology Support and Capacity-building. This requires environmental expertise from UNEP in United Nations country teams.

Recommendation: Sustainable development should be mainstreamed into the work of the Economic and Social Council. This would be done through substantive consideration of reports emanating from subsidiary bodies, the Governing Council/Global Ministerial Environment Forum of UNEP and other relevant intergovernmental bodies, including the Sustainable Development Board (see chap. III.A).

- A "sustainable development" segment should be instituted in the Economic and Social Council. It would: (a) help promote a balance between the three pillars of sustainable development; (b) focus on sustainability issues arising from the Council's functional commissions and feed conclusions back to those commissions; and (c) coordinate recommendations to United Nations system organizations and their governing bodies.

- The reform of the Commission on Sustainable Development following the 2002 World Summit on Sustainable Development should be pursued further by focusing on implementation, including approaches for integrating environmental and social concerns into economic planning, and for identifying and sharing best practices.

Gender equality and women's empowerment

Gender equality is central to sustainable development that responds to the needs, rights, aspirations and talents of half the world's people. The Panel believes that the United Nations needs to replace several current weak structures with a dynamic United Nations entity focused on gender equality and women's empowerment. This entity should mobilize forces of change at the global level and inspire enhanced results at the country level. The promotion of gender equality must remain the mandate of all United Nations entities.

46. Within the United Nations framework the international community has made strong commitments over the past six decades to gender equality and women's empowerment. It has entrusted the United Nations with an enormously important mandate in this area. The Secretary-General called upon us to include in our work an assessment of how gender equality could be better and more fully addressed by the United Nations, in particular — where it matters most — in the Organization's operational activities on the ground.

47. We have listened carefully to Governments in programme and donor countries, to civil society representatives and to United Nations staff at Headquarters and at regional and country offices. The message is clear: while the United Nations remains a key actor in supporting countries to achieve gender equality and women's empowerment, there is a strong sense that the United Nations system's contribution has been incoherent, under-resourced and fragmented.

48. We believe that the importance of achieving gender equality cannot be overstated. For both reasons of human rights and development effectiveness, the United Nations needs to pursue these objectives far more vigorously. While there

are inspiring examples of United Nations initiatives that have helped to change women's lives, these have unfortunately remained isolated "best practices".

49. We propose a new way forward based on fundamentals that we believe need to constitute the guiding principles of any efforts to strengthen United Nations performance on gender equality and women's empowerment:

- The United Nations needs a much stronger voice on women's issues to ensure that gender equality and women's empowerment are taken seriously throughout the United Nations system and to ensure that the United Nations works more effectively with Governments and civil society in this mission. We believe that a gender entity — based on the principles of coherence and consolidation — is required to advance this key United Nations agenda.
- But it is also our strong belief that the commitment to gender equality is and should remain the mandate of the entire United Nations system. Responsibility and accountability for the integration of gender equality concerns cannot be held by one United Nations agency or entity alone, regardless of its size and influence.
- And finally, in our recommendations, we seek to combine greater visibility for gender issues at the centre with enhanced results on the ground, where the United Nations performance will be assessed.

Recommendation: The Panel recommends strengthening the coherence and impact of the United Nations institutional gender architecture by streamlining and consolidating three of the United Nations existing gender institutions as a consolidated United Nations gender equality and women's empowerment programme.

Box 2
Mandate and structure of the consolidated gender entity

Governance

The gender entity would consolidate three of the United Nations existing entities under two organizational divisions. The "normative, analytical and monitoring" division would subsume the Office of the Special Adviser on Gender Issues and the Advancement of Women and the Division for the Advancement of Women. The "policy advisory and programming" division would subsume the current activities of the United Nations Development Fund for Women (UNIFEM). The Office of Human Resources Management of the Secretariat would take over the human resource functions, currently performed by the Office of the Special Adviser, aimed at improving the status of women in the Secretariat and the United Nations system.

The Executive Director of the consolidated entity should have the rank of Under-Secretary-General, consistent with that of other heads of agency, to guarantee organizational stature and influence in United Nations system-wide decision-making. The position should be recruited

through a meritocratic competition demonstrably open to those outside the United Nations and an open and transparent global search process.

The Executive Director would act as the chief adviser to the Secretary-General on gender equality and women's empowerment issues. The Executive Director would report to the Economic and Social Council and the General Assembly (through the Secretary-General), and to the UNDP/UNFPA Executive Board (which would be renamed to reflect the entity's name). To reduce costs and increase effectiveness, the entity would share common services at United Nations Headquarters and at the field level, in particular with UNDP, where available.

The gender entity would be a full member of the United Nations System Chief Executives Board for Coordination (CEB) and the proposed Development Policy and Operations Group (see chap. III.A).

Mandate

The gender entity would be entrusted with a dual mandate combining normative, analytical and monitoring functions with policy advisory and targeted programming functions. Where necessary, United Nations country teams would include senior gender expertise provided by the gender entity.

The entity's mandate under the normative, analytical and monitoring division would include:

- Facilitating and advising on system-wide policies for gender equality and women's empowerment.
- Undertaking global advocacy efforts on issues critical to women's empowerment and gender equality, including the publication of flagship reports.
- Monitoring and evaluating, on behalf of the Secretary-General, the integration of gender equality objectives across the United Nations system, including the funds, programmes, Secretariat departments and specialized agencies.
- Supporting the integration of gender equality and women's empowerment concerns in intergovernmental bodies for development, humanitarian assistance, environment, human rights, peacekeeping and peacebuilding.
- Providing substantive and technical servicing to the Commission on the Status of Women.

The Panel believes that the gender entity should have sharply focused operations on gender equality and women's empowerment issues, equipped with high-quality technical and substantive expertise, to provide leadership in regions and countries. Under the policy advisory and programming division, the entity's mandate would include:

- Providing policy advice and guidance to United Nations country and regional teams to ensure that gender equality concerns are

mainstreamed in the support provided to nationally led poverty reduction and development plans.

- Undertaking regional and national advocacy to put issues critical to women's empowerment on the policy agenda.
- Facilitating innovation, sharing lessons and enabling institutional learning throughout the system.
- Supporting targeted and innovative activities, benefiting women in line with national and regional priorities and the objectives set out in the Beijing Platform for Action and Security Council resolution 1325 (2000) on women and peace and security.
- Strengthening and monitoring accountability across the resident coordinator system and assisting resident coordinators and United Nations country teams to meet their responsibilities for gender mainstreaming.

The gender entity would continue to work closely with Governments and civil society organizations, strengthening networks already established at the global, national and local levels. The operations of the United Nations gender entity would be undertaken as part of One United Nations in each country.

Funding

To be effective in this role, the gender entity needs adequate, stable and predictable funding. The work of the normative and analytical division should continue to be funded as it is now from the United Nations regular budget, supplemented by voluntary contributions. The policy advisory and programming division should be fully and ambitiously funded.

The Panel strongly believes that substantially increased funding for the gender entity should constitute only part of the overall commitment of the United Nations to gender equality. Other United Nations entities need to dedicate significantly more resources to gender mainstreaming in all their work and decisions, in particular at the country level, and to monitor and report regularly on progress.

Human rights

The necessary international human rights agreements and institutions are now in place, but responsibilities need to be clarified within the United Nations system. The Office of the United Nations High Commissioner for Human Rights (OHCHR) should lead the effort on protection and work with and through the resident coordinator and the United Nations country team to promote human rights, and strengthen the capacities of Governments, relevant institutions, civil society and individuals.

50. We support the Secretary-General's contention that "we will not enjoy development without security, we will not enjoy security without development, and we will not enjoy either without respect for human rights" (A/59/2005, para. 17). The responsibility to make this happen lies with countries, and the necessary human rights instruments and agreements are now in place. At the 2005 World Summit Member States reaffirmed their commitment to address human rights through a new Human Rights Council, and gave unprecedented political backing for the further mainstreaming of human rights in the work of the United Nations. We remain deeply concerned, however, that the global implementation of human rights lags far behind its articulation.

51. The legitimacy of the United Nations to address human rights has been reaffirmed in our consultations, including support to national counterparts in their pursuit of international human rights commitments. Yet an assessment of the decade's worth of effort to mainstream human rights in all areas of United Nations work shows limited progress, in part because of widespread misunderstanding about where responsibility lies for human rights promotion and protection.

Recommendation: Resident coordinators and United Nations country teams should be held accountable and be better equipped to support countries in their efforts to protect and promote human rights. They should assist countries in implementing their human rights obligations and commitments as part of their national development strategies.

Recommendation: OHCHR, the centre of excellence on human rights, should provide dedicated support to the resident coordinator system. It should ensure appropriate linkages with and coordination between the resident coordinator system and the United Nations human rights special procedures and mechanisms. It should take the lead on human rights protection, including the provision of technical assistance at the request of countries to assist Member States in fulfilling their existing human rights obligations and commitments.

Recommendation: All United Nations agencies and programmes must further support the development of policies, directives and guidelines to integrate human rights in all aspects of United Nations work. The United Nations common understanding on a human rights-based approach to programming and the United Nations-wide Action 2 Programme — developed and adopted by 21 heads of United Nations agencies, programmes and departments — should provide useful guidance in this.

III. Governance, funding and management

52. We have already recommended changes to the way the United Nations is managed at the country level. A more coherent and better functioning United Nations would benefit developing countries. For these changes to be effective, they need to be supported by similar coherence of functions at the centre.

53. Substantial change is required in governance, management and funding arrangements to realize the vision of a more effective and coherent United Nations. Having examined the intergovernmental and organizational structures from this perspective, the Panel believes that achieving a more effective and coherent United Nations calls for consolidating some functions and strengthening others, as well as

devising new modalities. This process should be designed to enhance the flexibility, responsiveness and coherence of the United Nations system. The principles underlying these proposals for reform of governance, funding and management are ownership, effectiveness, transparency and coherence.

54. The Panel believes that stronger and more effective mechanisms must be developed for governance and funding. These mechanisms must incorporate clear lines of accountability and robust oversight of performance and results. To deliver lasting change, they must be transparent, inclusive and decisive. We have therefore proposed the creation of bodies that have the power to take decisions. This process will involve significant changes for United Nations agencies, developing countries and donors alike. United Nations agencies need to work more closely and effectively with the rest of the United Nations system in the interests of a greater common good. Donors, too, will need to change the way they fund the United Nations so that it is in line with the principles of multilateralism. These changes are essential if we are to be successful in the management and delivery of One United Nations.

A. Governance: consolidating some functions, strengthening others

Effective governance is at the core of coherence. To enable the United Nations to "deliver as one" on global development challenges, and in particular to make the "One United Nations" at the country level a reality for developing countries, the Panel proposes the following series of measures.

Intergovernmental level

- *To provide a high-level forum for strategic guidance on sustainable development policy and global public goods, a Global Leaders Forum should be established.*
- *A Sustainable Development Board should be established to provide operational oversight and supervision of the "One United Nations" at the country level. The Board would also take decisions on pooled voluntary funding for country programmes.*

Regional level

- *The important regional work of the United Nations must be streamlined by establishing regional hubs to support United Nations country teams and clarifying the roles of regional commissions.*

Organizational level

- *The United Nations System Chief Executives Board for Coordination should improve its decision-making role on overall reform and effectively drive managerial reform.*
- *The Development Policy and Operations Group should be the central coordinating mechanism for United Nations work on development at the country level. It will bring policy and operational roles together and will*

be chaired by a Development Coordinator. The Group would comprise the major development organizations in the United Nations.

- *A clear firewall and accountability framework should be established between a repositioned UNDP support to the resident coordinator system and its reduced operations role. This will allow the full ownership of the United Nations system in the resident coordinator system (see chap. II.A).*
- *A Development Finance and Performance Unit should support the Development Policy and Operations Group in providing information and analysis on United Nations system funding, expenditures and results.*

Streamlining and consolidation

55. The Panel has benefited from extensive consultations on the functioning of the United Nations system at the country, regional and global levels. It has also concentrated on the key drivers and incentives required for coherence from a bottom-up approach. More detailed and specific proposals for further streamlining and consolidation to improve system-wide coherence require a more in-depth analysis than was feasible within the context of our work. The Panel believes that it is important to build on its work by further considering the removal of unnecessary duplication in the United Nations system and by ensuring the clear delineation of roles and mandates.

56. We do not however advocate a single United Nations entity because some individual agencies can best achieve their vital role in the provision of global public goods, advocacy, research, promoting best practice and global norms and standards by operating individually in their specific sectors.

Recommendation: The Panel recommends that the Secretary-General establish an independent task force to build on the foundation of its work. It would:

- Clearly delineate the roles of the United Nations and its funds, programmes and specialized agencies to ensure complementarity of mandates and to eliminate duplicated functions, making concrete recommendations for consolidating or merging United Nations entities where necessary. Such a process has the potential to lead to significant annual savings, possibly up to 20 per cent, which should be redirected to supporting the One United Nations at the country level.
- Review the assessed funding required by United Nations specialized agencies — to address the current imbalance between assessed and voluntary resources dedicated to the implementation of normative mandates. The review should determine whether the current policy of zero real growth can allow United Nations agencies to deliver on global mandates.
- Review the functioning and continuing relevance of existing regional structures in addressing regional needs, taking into account the different needs of regions and the emergence of strong regional and subregional institutions. The review should also consider options for streamlining and consolidation.

Intergovernmental structures

Economic and Social Council

57. The General Assembly is the highest intergovernmental body for formulating policy on economic, social and related matters. The Economic and Social Council is the main body for coordination, policy review, policy dialogue and recommendations on economic and social development and for the review and follow-up of the internationally agreed development goals.

58. The Council's mandate has been far greater than its exercise of it. Despite many attempts to strengthen its role, the Council continues to lack effectiveness and influence. Its oversight of the funds and programmes remains perfunctory and is almost non-existent for the specialized agencies. The Council needs to improve its operational and coordination functions with regard to the entire system.

59. Much can be done to improve the Council within its current mandate, but it will require new forms of functioning. Leaders at the 2005 World Summit took steps to enable the Council to play an effective policy coordination role as envisaged in the Charter of the United Nations. The Panel believes that the vision for the Council in the 2005 Summit should be faithfully implemented, and that the Council should be further empowered through the involvement in its work of Member States at the highest possible political level.

Recommendation: A Global Leaders Forum of the Economic and Social Council should be established. The Forum would comprise the leaders of half its members, rotating on the basis of equitable geographic representation, with the participation of the executive heads of the major international economic and financial institutions. Its meetings could be preceded by a preparatory meeting of ministers for foreign affairs and economic, social and related ministries.

Box 3
Role of the Global Leaders Forum

- Provide leadership and guidance to the international community on development and global public goods related issues.
- Develop a long-term strategic policy framework to secure consistency in the policy goals of the major international organizations.
- Promote consensus-building among Governments on integrated solutions for global economic, social and environmental issues.

Sustainable Development Board

60. The Panel believes that a new governance mechanism is required to provide oversight for the One United Nations at the country level. Current board structures of the United Nations system provide only for individual funds, programmes and agencies to report separately to their respective boards for their country, regional and global work. There is a need to provide operational guidance and direction to the separate organizations for the coherence and effectiveness of the United Nations system at the country level. The Panel recommends the establishment of a

Sustainable Development Board, reporting to the Economic and Social Council. It will be responsible for operational coherence and coordination, and system-wide implementation of policies, for allocations of voluntary funding and for performance of the One United Nations at the country level.

61. Individual boards should continue to consider issues that require particular agency focus, including those relating to multi-year funding frameworks that reflect the approved strategic focus of each agency. The Sustainable Development Board will review the consolidated One Country Programme, which will include components developed by individual organizations, reflecting the policies and directives of their respective boards.

Recommendation: A Sustainable Development Board should be established. Reporting to the Economic and Social Council, the Board would provide the decision-making and monitoring framework for implementation of One United Nations at the country level. The Board would be responsible for oversight of the implementation of the pilot programme to create unified United Nations country programmes.

Recommendation: Meetings of the Sustainable Development Board should supersede the joint meeting of the boards of UNDP/UNFPA/gender entity, WFP and UNICEF. After three years the effectiveness of the Board should be assessed. This assessment should include consideration of the scope for integrating the boards of UNDP/UNFPA and UNICEF as segments of the Sustainable Development Board, rather than maintaining them as stand-alone boards.

Milestone: Member States should agree on the composition and mandate of the Sustainable Development Board by September 2007, and the Board should convene its first session by June 2008. The new bodies necessary to support the Board (Development Policy and Operations Group, including the Development Finance and Performance Unit and the Independent Evaluation Unit) should have been established by June 2007. By 2010 an independent assessment of the Board's effectiveness should be commissioned.

Box 4
Role and mandate of the Sustainable Development Board

- **Endorse One Country Programmes and approve related allocations** of voluntary donor finance from the Millennium Development Goal funding mechanism (see box 6). Following an inclusive planning process by the United Nations country team, in line with the principle of country ownership, and approval of the programme by the country, the Sustainable Development Board will endorse unified country programmes and approve the allocation of voluntary funds. It would ensure agency alignment with jointly agreed United Nations priorities.
- **Maintain a strategic overview of the system** to drive coordination and joint planning between all funds, programmes and agencies to monitor overlaps and gaps.
- **Review the implementation of global analytical and normative work of the United Nations in relation to the One United Nations**

at the country level, to progress towards the internationally agreed development goals and to provide strategic guidance on the policy and analytical work of United Nations sustainable development activities.

- **Oversee the management of the funding mechanism for the Millennium Development Goals**, which will coordinate donor resources and consolidate allocations. The Board's decisions, particularly on allocations, will be informed by strategic policy and operational advice provided by the Development Policy and Operations Group, under the leadership of the Development Coordinator. To fulfil this role the Group requires an internal Development Finance and Performance Unit to manage voluntary donor finance and monitor system-wide performance (see chap. III.B).

- **Review the performance of the resident coordinator system**, taking all necessary steps to strengthen coherence and delivery. This will include monitoring the implementation and delivery of efficiencies, results-based management and the harmonization of business practices. It will also cover the provision of common services to all funds, programmes and specialized agencies in the field.

- **Consider and comment on the implementation of the strategic plans of funds, programmes and specialized agencies** with a role in delivering the Millennium Development Goals, the other internationally agreed goals and normative activities relating to sustainable development, particularly in the context of the One Country Programme. The Board would assess and strengthen system-wide operational and normative coherence, performance and effectiveness of United Nations system-wide sustainable development activities. There should be additional discretionary funding available to the Board to provide incentives for good performance of Headquarters of funds, programmes and specialized agencies and to fund programmatic gaps and priorities.

- **Commission periodic strategic reviews of One Country Programmes.** The Board will ensure that the One Country Programmes are aligned with national development plans, have full country ownership established through inclusive consultative processes and are focused on internationally agreed development goals. Strategic reviews will be prepared for the Board's consideration under the direction of the Development Coordinator. The Board should provide clear guidance and directions to relevant stakeholders to implement the recommendations of such reviews.

- **Consider and act on independent evaluation, risk management and audit findings**, submitted by the new Independent Evaluation Unit, established by the Secretary-General and reporting to the Board. This Unit will strengthen evaluation across the development system and provide timely, independent performance information to improve the system and its processes (see chap. III.B).

Membership and reporting

The Economic and Social Council should establish the Board and determine its membership in line with experience gained from the composition of the executive boards of the funds, programmes and specialized agencies. The Board will comprise a subset of Member States on the basis of equitable geographic representation. Senior staff from development, planning, finance and foreign ministries, with the appropriate skills and competencies, should represent Member States. The Board should convene at the ministerial level when required. It should enable major non-United Nations intergovernmental organizations with a key role in the international development architecture to fully participate in its meetings. The Board's decisions should be communicated to all relevant United Nations intergovernmental bodies. Executive heads of United Nations agencies, or their deputies, with significant operational and normative programmes, should take part as ex officio members. When allocating funding for a One Country Programme, a high-level representative from that country should be invited. The Board should invite independent experts, senior officials of the Bretton Woods institutions and NGOs to participate in discussions and to inform the Board's decision-making, when necessary.

Organizational structures

62. A more coherent development system would unify and integrate the global analytical and normative work of the United Nations, with regional perspectives and country level interventions, and maximize synergies between them. It would create a mechanism to deploy the multidimensional perspectives of the United Nations in support of policy advice and technical services to all countries. This would help the United Nations to secure its place as a unique, credible and complementary partner in the international development architecture. Through consolidation, priority-setting and the elimination of duplication, a reconfigured development system will improve performance and increase cost-effectiveness. It will significantly increase managerial accountability and effectiveness without creating a large centralized bureaucracy. And at the country level, it would provide the framework for One United Nations.

United Nations System Chief Executives Board for Coordination

63. CEB, established in 2000, has led to some improvement in inter-agency coordination. The High-level Committees on Programmes and Management have developed more coherent approaches to system-wide themes and coordinated approaches to reform business processes. But the Board's potential has been underexploited and its decision-making role has been underused. An effective results-oriented CEB as a counterpart to a better functioning Economic and Social Council would enhance coherence throughout the system.

Recommendation: CEB should review its functions, in the light of experience gained since its establishment five years ago, with a view to improving its performance and accountability for system-wide coherence.

Development Policy and Operations Group

64. The Panel believes that a Development Policy and Operations Group should be established for organizational coherence, within the CEB framework, to unify and integrate the United Nations global analytical and normative work with regional perspectives and country operations. The Group would provide vision to bring together economic, social and environmental policies and activities into an integrated whole. It would subsume the current United Nations Development Group and the Executive Committee on Economic and Social Affairs. It would be served by a secretariat comprising talented officials from all parts of the United Nations system.

65. The Panel proposes that the Secretary-General appoint the UNDP Administrator as the Development Coordinator to chair the Development Policy and Operations Group. The Panel also proposes that the Group comprise the executive heads of United Nations funds, programmes, regional commissions, specialized agencies and the United Nations Secretariat. The Panel proposes that the Chair of the Group be supported by the head of the Department of Economic and Social Affairs, acting in the capacity of United Nations chief economist, and an executive head of a United Nations specialized agency with a significant operational portfolio, serving on a rotating basis. An Executive Committee consisting of the heads of United Nations funds, programmes and specialized agencies with significant portfolios and those with major cross-cutting mandates would be formed, including the Head of the Department of Economic and Social Affairs. The Development Coordinator would report and be accountable to the Sustainable Development Board.

Recommendation: The Secretary-General should appoint the UNDP Administrator as the Development Coordinator to chair the Development Policy and Operations Group that would support One United Nations at the country level. The Development Coordinator would report and be accountable to the Sustainable Development Board on the implementation of the One United Nations. A Development Finance and Performance Review Unit should be established to support the Development Policy and Operations Group.

Box 5
The role of the Development Policy and Operations Group

- Provide an inclusive forum for strategic decision-making, improve the effectiveness of the United Nations operational activities at the country level, build system-wide ownership of the resident coordinator system and enable member agencies to work collectively and deliver as One United Nations at the country level.
- Provide a framework to link normative, analytical and technical expertise to support nationally owned and led development programmes.
- Provide knowledge networking, sharing best practices and technical expertise to support regional and subregional programming.
- Create an incentive system for coherence, efficiency, cost-effectiveness and networking in deploying United Nations resources.

- Support the Development Coordinator in reporting to the Sustainable Development Board.

The Development Finance and Performance Unit, under the Development Policy and Operations Group, would

- Act as a coordinating clearing house and database of all United Nations funding sources and spending to assist the Sustainable Development Board with strategic financial planning and allocations.
- Provide advice to the Board on country and regional financial allocations and allocations for global policy work.
- Provide advice to the Board on setting and delivering efficiency measures to maximize investment in programming, based on internal country and regional performance reports and audits.
- Provide a common internal audit system for all United Nations sustainable development activities.
- Provide an annual performance and financial report on all United Nations sustainable development activities.

Regional structures and coordination

66. The regional economic commissions were established to promote economic and social development in their regions. And United Nations funds, programmes and agencies have developed regional mechanisms to provide technical and management support to their country offices. The result is a broad regional presence for the United Nations, providing a vast potential of assets and expertise, but increasing duplication, fragmentation and incoherence.

67. Over time, certain regional commissions have continued to meet regional needs while others have lost focus in applying their comparative strength in conducting regional analysis, developing policy frameworks and norms and supporting regional integration efforts and activities — instead devoting attention to operational activities at the country level. Strong institutional arrangements are now needed to ensure complementarities and build a genuine culture of cooperation among all United Nations organizations active in each region, as well as between the United Nations and non-United Nations regional entities.

Recommendation: United Nations entities at the regional level should be reconfigured and the United Nations regional setting should be reorganized around two interrelated sets of functions:

- Focusing on analytical and normative work, as well as activities of a transboundary nature. The regional commissions would act as a catalyst for these functions, using, inter alia, their convening power at both the intergovernmental and Secretariat levels.
- Focusing on coordinating the servicing of the United Nations country teams. Being responsible for managing the resident coordinator system, UNDP would act as the catalyst for these functions.

Recommendation: Regional offices of United Nations entities should be co-located and the definition of regions among all United Nations entities should be standardized to ensure consistency and coherence in the work of the United Nations at the regional level.

Coherence at the national level

68. Global development issues are interconnected, but in national Governments, responsibilities usually fall within separate line ministries (for trade, aid, debt, agriculture, environment, labour employment, health and education). As the global economy becomes more integrated, so will the linkages among these issues. Without coherent policy and leadership within national governments, disparate policies and fragmented implementation will undermine the effectiveness of multilateral organizations. Greater coherence within governmental structures, particularly for donors, can ensure coherence of policy development and implementation, both bilaterally and through multilateral institutions.

69. National Governments must also do more to ensure coherence and exercise good donorship in accordance with the mutual obligations of donors and recipients as set out in the Monterrey Consensus and the Paris Declaration on Aid Effectiveness. A candid international examination should be made of the developed countries' policy choices and the fulfilment of their commitments, including that by the Development Assistance Committee of the Organization for Economic Cooperation and Development.

Recommendation: At the national level, Governments should establish an "all-of-government" approach to international development to ensure coordination in the positions taken by their representatives in the decision-making structures of all relevant organizations, including the Bretton Woods institutions and the World Trade Organization. Pursuing consistent policies in the different settings can ensure that all relevant governing bodies effectively promote system-wide coherence to achieve internationally agreed goals.

Recommendation: The United Nations should establish benchmarks by 2008 to ensure the implementation of principles of good multilateral donorship, so that the funding provided at headquarters and at the country level do not undermine the coherence of development efforts and funding of the United Nations development system.

Relations with the World Bank and the International Monetary Fund

70. System-wide coherence at the United Nations cannot be discussed in a vacuum. It needs to be placed in a broader contextual framework of a dynamic international setting in which there are a large number of other relevant international actors and efforts. Today's consensus on the international development agenda is a result of the internationally agreed development goals and of platforms for their implementation through nationally owned development strategies and support by the donor community. This adds to the need for credible engagement of the United Nations with other development actors, since the success of this common agenda can be realized only through coherence in implementation.

71. Given the universality of the United Nations and the complementary role of the Organization and the Bretton Woods institutions in economic, social and related

fields, there is an urgent need for a more credible and meaningful engagement between the United Nations system and the international financial institutions. This is needed to secure policy consistency and enable countries to achieve their development objectives. The United Nations and the Bretton Woods institutions were established with the intention that they would work together in a complementary way. Over time both the World Bank and the United Nations institutions have gradually expanded their roles so that there is increasing overlap and duplication in their work. There is a balance to be struck between healthy competition and inefficient overlap and unfilled gaps. The Bretton Woods institutions and the United Nations need to work more closely together to remove unnecessary duplication, and to build on their respective strengths.

Recommendation: As a matter of urgency the Secretary-General, the President of the World Bank and the Executive Director of IMF should set up a process to review, update and conclude formal agreements on their respective roles and relations at the global and country level. These reviews must be periodically updated as well as assessed. This process should be undertaken on the basis of the enhanced performance, strengthened delivery and more influential role that the United Nations will have if our reforms are implemented.

- *Global level*. The participation of the Bretton Woods institutions in the annual spring meetings of the Economic and Social Council and the biennial high-level dialogue of the General Assembly should be more substantive. The focus should be on areas of common interest and on concrete measures to promote policy consistency to achieve the internationally agreed development goals. The United Nations status and participation in the Development Committee should be enhanced. Joint research and staff exchanges and peer reviews should become regular. The sharing of information and opinions on draft reports and strategic documents should be improved.

- *Country level*. The United Nations, the World Bank and IMF should cooperate closely in supporting countries on their national development strategies, including poverty reduction strategies and Millennium Development Goal strategies. Common frameworks to collect data and measure results should be developed. The World Bank and the United Nations should work jointly on needs assessments, with full national ownership. The skills and legitimacy of the United Nations in capacity-building should be fully used.

- *Post-conflict transition*. The United Nations and the World Bank should clarify the terms of collaboration in post-conflict situations and institutionalize a dialogue with clear counterparts on both sides. The United Nations should take the lead in the political and governance aspects of post-conflict issues, including deteriorating governance, and on electoral issues, as well as in supporting and funding early recovery when the capacity and processes are not in place yet to have a regular development process. The World Bank should be involved early in these processes and can assist in setting up multi-donor trust funds and more regular funding based on nationally owned recovery and development strategies.

Recommendation: To review cooperation within the international development structure, and to ensure policy consistency and coordination, an annual meeting should be chaired by the Secretary-General, with the participation of the President of the World Bank, the Managing Director of IMF, the

Development Coordinator and relevant heads of agencies, funds and programmes, including the Directors-General of the World Health Organization (WHO), the Food and Agriculture Organization of the United Nations (FAO), the International Labour Organization (ILO), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and others, depending on the issue under discussion.

Engaging civil society organizations and the private sector

72. Progress towards the internationally agreed development goals has improved through the active engagement of the United Nations with different actors at various levels, including partnerships with Governments, civil society and the private sector.

73. Civil society organizations can drive the United Nations development agenda forward. They are indispensable partners in delivering services to the poor, and they can catalyse action within countries, mobilize broad-based movements and hold leaders accountable for their commitments. In crisis, post-conflict and post-disaster countries, national and international NGOs are vital implementing partners — without them, United Nations humanitarian assistance could not be delivered.

74. The private sector has a vital role in generating new investments, creating full and productive employment, contributing to financing for development and managing natural resources and the environment. Coalitions of private foundations and public-private alliances have emerged as some of the more dynamic means of transferring financial and technical resources to realize sustainable development goals. They are also important platforms to promote corporate social responsibility and accountability.

75. While Governments remain the primary interlocutors for country-level engagement with the United Nations, civil society and private sector inputs into the preparation of the One Country Programme are important to ensure full national ownership and relevance. United Nations country teams should work with Governments to support an enabling environment for productive employment and enterprise development, and to encourage knowledge development, partnerships, corporate social responsibility, skills transfer and public-private networking across regions.

76. While the relationship between the United Nations and civil society is as old as the Charter, United Nations cooperation with civil society organizations and the private sector needs to be systematized and upgraded to enable these partnerships to contribute more effectively to the implementation of internationally agreed development goals.

Recommendation: The capacity of the resident coordinator's office to advocate, promote and broker partnerships between Government and relevant civil society organizations and the private sector should be enhanced to build stakeholder consensus and realize country-specific goals as embodied in the national development plans.

B. Funding the United Nations system for results

For coherent action to help achieve the Millennium Development Goals and other internationally agreed development goals, the United Nations needs sustained funding for the One Country Programme, as well as secure core funding for United Nations entities that have a demonstrable commitment to reform. Donors should increasingly pool their contributions at country or headquarters level, based on the performance of the United Nations in pilot cases.

77. For development at the country level, the role of the United Nations is not that of a major financial resource provider, but that of convener, policy adviser, commodity provider and capacity-builder. Exceptions are post-conflict situations, where the United Nations plays a major role, often with trust fund resources. The total ODA channelled through the United Nations annually is approximately US$ 10 billion.

78. To make the One Country Programme a success and to tackle global challenges, United Nations funding practices and mechanisms need urgent review. Current practices for funding the United Nations are fragmented and unpredictable. They constrain the United Nations and recipient countries from making strategic choices for the use of funds and in contributing to the Millennium Development Goals and other internationally agreed goals. The Development Coordinator should convene a meeting of the Development Policy and Operations Group with major donors to discuss and elaborate the practical changes required in donor practices to fund the One Country Programmes.

79. There is too much earmarked funding and too little funding for the core budget of United Nations organizations. Moreover, funding is unpredictable, and burden-sharing procedures are unclear. So United Nations organizations are only to some extent masters of their own budgets, with donor priorities rather than multilateral mandates determining some of their actions. Even in specialized agencies, assessed contributions have not increased for years, leaving them to rely on voluntary funding for core activities.

80. Current funding practices also lead to competition and fragmentation, often with relatively small budgets per agency at the country level, while the common programme is left with insufficient resources. A review of 10 United Nations country teams found on average that only 40 per cent of their resources are mobilized through core resources. United Nations organizations have to put considerable effort into fund-raising. Some argue that the resident coordinator system should be funded through assessed contributions, in line with an agreed contributions scale, which is how the United Nations Secretariat, peacekeeping operations and core specialized agency budgets are funded.

81. Sustained and consolidated funding is the key to reversing the fragmentation of the United Nations system. More secure funding has to go hand in hand with better performance, oversight, accountability, efficiency and results. That is why the Panel devoted considerable attention to governance and management and recommends steps to resolve them, based on the following principles:

- United Nations organizations that have a demonstrable commitment to reform, effectiveness and working together need sufficient sustained core funding —

or, where applicable, assessed funding — to fulfil their missions. There should also be sufficient funding for supporting and strengthening the resident coordinator system.

- There should be one budgetary framework for the One Country Programme, reflecting all contributions. Donors should increasingly pool their contributions at the country or headquarters level, based on United Nations performance in pilot cases. They should increasingly refrain from funding country-level interventions by the United Nations system outside the One Country Programme.
- While pursuing greater coherence, diversity has brought the United Nations system many resource mobilization opportunities and successful brands, allowing both donors and recipient countries a degree of choice. Some diversity in the system is thus to be welcomed.

Recommendation: Funding for the One Country Programmes should be predictable and multi-year. The five One Country Programme pilots should be funded by pooled country-level funding. Subject to continuous positive assessment, demonstrated effectiveness and proven results, they should be expanded to 20 One Country Programmes by 2009, 40 by 2010 and all other appropriate country programmes by 2012. Following the five pilots, the One Country Programmes will also be funded by voluntary contributions to a consolidated funding mechanism, the Millennium Development Goal funding mechanism (see box 6).

Recommendation: There should be full core funding for individual United Nations organizations committed to reform.

- There should be full core funding for individual funds and programmes demonstrably committed to reform, effectiveness and working together, through strengthened and improved multi-year funding frameworks, with strategic priorities, related funding priorities and robust indicators. By 2008 funds and programmes should align their multi-year funding cycles to facilitate strategic coordination.
- There should also be a review of assessed funding of the specialized agencies, to enable them to continue their essential work on global norms and standards and assess whether the current policies of zero real growth is adequate.
- The strengthened resident coordinator system should be fully funded. Resources earmarked for supporting the system should continue to be managed separately from UNDP programme resources.

Box 6
Funding the United Nations system for results

Full funding for the One Country Programme

At the country-level, contributions to the One Country Programme should be consolidated within a single budgetary framework, which would not constitute a legal constraint on the spending authority of funds, programmes and specialized agencies. The one budgetary framework brings together all contributions to the One Country Programme. To fund the One Country Programme through this single

budgetary framework, the Panel recommends the following funding sources:

- The five pilots of the One Country Programme should be funded by pooling funding in the country. For donor contributions to each pilot, a country-level Millennium Development Goal strategy support fund should be established, to be administered by the resident coordinator, in line with national priorities. In principle, funding from all sources for the One Country Programme should flow through these country funds. Donors would be strongly encouraged to contribute through these funds.
- A Millennium Development Goal funding mechanism should be established following the five pilots. This voluntary mechanism would coordinate overall resource flows enabling global oversight of funding available for contributions to the One Country Programme. The mechanism should be governed by the Sustainable Development Board under the supervision of the development coordinator. Donors are strongly encouraged to make funds available to this mechanism at the central or country level. United Nations organizations could also contribute core funding for the One Country Programme within the framework of this mechanism.

Recommendation: The United Nations should drive reform by channelling reform savings back into the system through mechanisms, such as an empowerment fund. This fund would demonstrate to the world's poorest citizens, communities and local entrepreneurs that United Nations savings will be invested directly in their empowerment. It would be financed with minimal overhead through efficiency cost savings resulting from reforming, consolidating and streamlining United Nations functions and organizations, as recommended by the task force to be established by the Secretary-General (see chap. III.A). This fund could redirect savings from efficiency reforms back to country-level strategies (One Country Programme) with a special emphasis on helping countries achieve the Millennium Development Goals.

C. Reforming United Nations system business practices: building institutions of public trust

Business practices for resource planning, human resources, common services and evaluation must achieve full compatibility as major drivers of coherence in the United Nations system. There should be greater opportunities for staff mobility and a system-wide agreement on results-based management as well as an independent United Nations system-wide evaluation mechanism and common evaluation methodologies and benchmarking. The United Nations must systematically examine opportunities and possibilities for joint services.

82. The business practices, processes and culture of the United Nations system have evolved in an incremental and ad hoc manner over 60 years, in response to

specific situations and agency needs. This has widened the disconnection between organizations of the system, contributed to inefficiency and hindered the development of a common management culture that is accountable and results-oriented. To boost public trust, the United Nations needs to demonstrate more transparency and accountability.

83. There is no central management authority in the United Nations to implement common rules and practices. So individual organizations pursue various initiatives, without incentives to harmonize for the benefit of the United Nations system as a whole. Without explicit commitment from organizational leaders, common services cannot work. We believe the time has come to establish a process leading to a common framework for business practices in the United Nations. This will transform the way the United Nations works, build a culture of collaboration, improve the system's effectiveness in achieving organization-wide programmatic results and lead to significant savings. Harmonized business practices will enhance the United Nations system's capacity to deliver the One Country Programmes. Savings from efficiency gains will be redirected to these programmes.

84. Harmonizing systems in itself does not achieve coherence. Needed first is an agreement on standards, to ensure that value is added in pursuing change. Using internationally recognized standards would facilitate the simplification and harmonization of business practices within the United Nations system.

85. Public trust will be reinforced through measurable results. Evaluations throughout the system use different measurement criteria, which are often too narrowly defined by quantifiable terms, rather than by measurements of longer term impact.

86. Attracting and retaining the most qualified staff for an effective and independent civil service is not possible with a human resource system based on different performance evaluation systems, entitlements and contracts. To encourage mobility and cross-fertilization and to prepare staff for positions of greater responsibility, the system's appraisals must be based on performance, not seniority. A competitive and incentive-based system is required. The International Civil Service Commission has become a politicized body that represents the interests of Member States, rather than operational priorities. It is too slow and needs substantial change.

87. Current governance mechanisms need to be modernized. Without an overarching management system to drive change, there can be no management control and little progress towards coherence. For CEB to work more effectively, the United Nations agencies must first commit to the need for its revised terms of reference.

Recommendation: CEB, chaired by the Secretary-General, should lead efforts to improve management efficiency, transparency and accountability of the United Nations system. It should be used more effectively in its principal role as a high-level decision-making forum in the United Nations system on substantive and management issues. CEB reporting and transparency to intergovernmental structures should be improved.

Recommendation: The business practices of the United Nations system should be harmonized:

- International Public Sector Accounting Standards, which will be implemented across the entire United Nations system by 2010, must provide an important basis for simplifying and harmonizing business practices.
- To break down barriers to programmatic and administrative collaboration, enterprise resource planning standards, and data warehouses for reporting, should be harmonized across the system by 2010. Entities currently selecting enterprise resource planning systems (including the United Nations Secretariat) should base their selection on data-sharing compatibility and interconnectivity.
- Improvements in results-based management, results-based budgeting, evaluation and other measures to increase transparency and accountability should be in place by 2008. This should include harmonizing the principles, terms and methods of results-based management and the audit procedures across the United Nations system.
- A system-wide security management system based on common policies, standards and operating procedures should be established at the country level, particularly for humanitarian affairs.

Recommendation: Evaluation mechanisms should be established for transparency and accountability. A United Nations system-wide independent evaluation mechanism should be established by 2008, and taking into account the evolving role of the Office of Internal Oversight Services, to monitor how system-wide goals are being delivered. A separate system to enable peer reviews across organizations should also be developed. A common evaluation methodology should be applied across the United Nations system by 2010 to permit benchmarking and inter-agency comparisons and facilitate exchanges of best practices. Standardized information and data related to United Nations activities, programme delivery, budgets, staffing and cost-effectiveness should be transparent and publicly available. Harmonizing systems and methodologies will provide Member States with a more transparent overview of United Nations system results and financial figures by area of interest and type of activity.

Recommendation: Human resource policies and practices should be updated and harmonized. An authoritative and independent external evaluation to reform the International Civil Service Commission should be carried out in 2007. Human resource management policies and contractual arrangements should be simplified, harmonized and updated in line with an emphasis on results, performance management systems and accountability frameworks. Recruitment and promotion policies should be underpinned by the principle of "meritocracy with equity and representation" and developed to improve staff capabilities and ensure a culture of management for results.

Human resource policies must enable mobility of the staff across the system and the transferability of pensions. Host countries should be encouraged to enable the employment of spouses of United Nations staff. A fundamental overhaul of staff training and career development programmes should be carried out by 2010 to ensure that, at all levels of the system, staff serving the United Nations are motivated and have appropriate professional skills. The United Nations System Staff College should have the capacity to provide executive leadership training to senior United Nations managers. This would enable more effective management of change

processes and contribute to a common management culture in the United Nations system.

Recommendation: Executives should be selected according to clear criteria, and for limited terms. All appointments or elections to executive positions in United Nations organizations should be in line with clear and effective criteria, limited to two terms of four or five years.

Recommendation: Change should be managed at the highest levels. The overall management of reform of business practices should be invested in the Secretary-General, in his capacity as chairman of CEB, assisted by a bureau of staff specialists as part of the CEB machinery. All chief executives in the United Nations system should develop plans to reform the business practices in their organizations together with resource requirements for investing in change processes.

88. The Panel is of the view that implementing the reforms necessary to enable the United Nations to deliver as one will require time and energy. A dedicated team will be needed at a senior level within in the United Nations system to ensure that progress is being made on the changes being recommended.

Recommendation: The Panel recommends that the Secretary-General appoint a senior member of his staff and provide the necessary resources to form a senior change management team. The team would be responsible for tracking and supporting implementation, and reporting regularly to the Secretary-General and Member States on progress to implement the recommendations of the High-level Panel on United Nations System-wide Coherence, in the areas of development, humanitarian assistance and the environment.

Annex I

Terms of reference of the Panel, issued on 15 February 2006

Background

1. In the Outcome document adopted at the 2005 World Summit in New York global leaders called for much stronger system-wide coherence across the various development-related agencies, funds and programmes of the United Nations. In addition to supporting current, ongoing reforms at building a more effective, coherent and better-performing United Nations country presence, it specifically invited the Secretary-General to "launch work to further strengthen the management and coordination of United Nations operational activities". They also called for such work to be focused on ensuring that the United Nations maximized its contribution to achieving internationally agreed development goals, including the Millennium Development Goals, including proposals for "more tightly managed entities" in the field of development, humanitarian assistance and the environment.

2. The Secretary-General intends to commission a small panel, supported by Adnan Amin, United Nations Environment Programme (UNEP), as Executive Director, and appropriate research and analytical capacity from inside and outside the United Nations system, to develop concrete and comprehensive analysis and recommendations in this regard. The Secretary-General is determined to ensure that while this work is under way, existing reform initiatives endorsed in the Outcome document, including those for a strengthened role for special representatives of the Secretary-General and resident coordinators, and the strengthening of the United Nations country team through a common management programming and monitoring framework should continue. The Secretary-General considers that the outcome of this exercise would provide an important complement to the ongoing reform deliberations in the General Assembly.

Timeline

3. The Panel will seek to consult on an interim basis with the United Nations System Chief Executives Board for Coordination (CEB) at its meeting in April 2006. This would allow for further consultation with member states at the Economic and Social Council in July 2006 and for the full study to be completed by the next session of the General Assembly to allow for embarking on possible implementation in 2007.

Scope

4. As set out in the Outcome document, the three elements of the study will need to have slightly different scope:

(a) In the field of humanitarian assistance significant progress has been made in recent years in providing more coordinated response to emergencies at the country level. The Outcome document also commits the General Assembly to strengthening the coordination of humanitarian and disaster relief assistance of the United Nations and separate follow-up work is already under way in this regard.

However, the growing scale and scope of disasters, particularly natural disasters, underlines the importance of improving the timeliness and predictability of humanitarian funding, mainly by improving the Central Emergency Response Fund, in part through a thorough evaluation of lessons learned from recent experience. This part of the study will also need to focus on ways of developing and improving mechanisms for the use of emergency standby capacities for a timely response to humanitarian emergencies;

(b) In the field of environmental activities, two separate issues need to be addressed. First, in the normative area, a full assessment should be made of how the United Nations can best provide more comprehensive and coherent management and monitoring of the growing range of multilateral environmental agreements. This should include the development of stronger scientific and analytic capacity in monitoring, assessing and reporting on critical environmental trends. Second is the need for better integration of the environmental perspective within the broad principle of sustainable development in United Nations country-level activities and in particular capacity-building and technology support undertaken by the entire United Nations system. The General Assembly may launch its own deliberations on the issue of international environmental governance issues in early 2006 and it would be important to ensure that these efforts are complementary;

(c) In development, despite wide-ranging reforms over the past five years strengthening the role of the resident coordinator and the United Nations country team, developing and donor countries alike remain concerned that, overall, United Nations development at the country level remains overly fragmented and supply-driven. The Outcome document commits all countries to map out their own national strategies to meet international conference goals, including the Millennium Development Goals. In this context, the study will need to analyse how the United Nations system as a whole can be better reoriented to provide more efficient, coherent demand-driven support to national partners by building on its core normative, technical assistance and capacity-building strengths to partner with the longer-term financing and other support brought by the World Bank and other international partners. In this regard, it will be particularly important to consider how to strengthen linkages between the normative work and the operational activities of the system. It will also need to examine how this work can support and complement the wider role the Outcome document envisages for the Economic and Social Council in ensuring follow-up and assessing progress of the outcomes of the major United Nations conferences and summits, including the internationally agreed development goals; and playing a major role in the overall coordination of funds, programmes and agencies, ensuring coherence among them and avoiding duplication of mandates and activities.

5. In all three areas, the study will need to encompass both organizational and funding issues, ranging from the duplication and overlap of work products across United Nations agencies, funds and programmes to prospects for joint, multi-year funding and programming arrangements. The broad issue of more predictable financing of the United Nations system — from the consolidated appeals process to the growth in non-core funding of funds and programmes to the appropriate role of assessed contributions — and its impact on existing systems and proposed reform will need to be a central element.

6. The overarching aim of the study is to seek recommendations on a process of rationalization that will maximize the available resources for relief and development programmes in the United Nations system while minimizing overhead and administrative costs. As such, the study will need to explore ways of fully exploiting synergies between the normative and analytical institutions and departments of the United Nations, such as the Department of Economic and Social Affairs and the United Nations Conference on Trade and Development (UNCTAD), and operational agencies. It will also need to address how the United Nations system works and can best exercise its comparative advantages with international partners, including the Bretton Woods institutions, the European Commission and other regional actors, donors, civil society and the private sector. While the primary focus will be on increasing impact at the country level, in making concrete proposals for improved management, coordination and effectiveness, it will need to make findings with regard to work both at United Nations headquarters, regional and country level.

7. In terms of recommendations, the study should seek to identify a short, medium and longer-term vision and benchmarks, thus laying a platform for an actionable plan of implementation rather than open-ended proposals. Change may need to occur in phases, with first initial proposals for rationalization of the current system without major structural changes; then proposals for preliminary restructuring of the current system to minimize duplication and overlap; and finally recommendations for comprehensive revitalization and restructuring of the United Nations operational role in environment, humanitarian and development work.

Consultation

8. The Outcome document calls for greater coordination between the governing boards of various operational agencies so as to ensure a more coherent policy in assigning mandates and allocating resources throughout the system. In this spirit — and to ensure wide acceptance and subsequent implementation of the findings — it will be essential for the Panel to consult widely with all stakeholders, including the management and governing boards of relevant agencies, funds and programmes, prior to submission of their final report to the Secretary-General.

Additional request from the Secretary-General: gender equality

9. In addition, the Secretary-General called upon the High-level Panel on United Nations System-wide Coherence in the areas of development, humanitarian assistance and the environment to review contribution of the United Nations system to achieving gender equality and to make recommendations on how gender equality perspectives can be better integrated into the work of the United Nations. In his recent report on the mandate review, the Secretary-General states that there is a need to move towards “improved clarity on institutional responsibilities and more concerted action in relation to gender equality. There is a need to assess the progress made across the system, the gaps and challenges remaining, and ways to improve outcomes”. He requested the Panel “to include in its work an assessment of how gender equality, including through gender mainstreaming, can be better and more fully addressed in the work of the United Nations, particularly in its operational activities on the ground” (A/60/733, para. 131).

Excerpt from General Assembly resolution 60/1

10. General Assembly resolution 60/1 states, in part:

168. We recognize that the United Nations brings together a unique wealth of expertise and resources on global issues. We commend the extensive experience and expertise of the various development-related organizations, agencies, funds and programmes of the United Nations system in their diverse and complementary fields of activity and their important contributions to the achievement of the Millennium Development Goals and the other development objectives established by various United Nations conferences.

169. We support stronger system-wide coherence by implementing the following measures:

Policy

- Strengthening linkages between the normative work of the United Nations system and its operational activities
- Coordinating our representation on the governing boards of the various development and humanitarian agencies so as to ensure that they pursue a coherent policy in assigning mandates and allocating resources throughout the system
- Ensuring that the main horizontal policy themes, such as sustainable development, human rights and gender, are taken into account in decision-making throughout the United Nations

Operational activities

- Implementing current reforms aimed at a more effective, efficient, coherent, coordinated and better-performing United Nations country presence with a strengthened role for the senior resident official, whether special representative, resident coordinator or humanitarian coordinator, including appropriate authority, resources and accountability, and a common management, programming and monitoring framework
- Inviting the Secretary-General to launch work to further strengthen the management and coordination of United Nations operational activities so that they can make an even more effective contribution to the achievement of the internationally agreed development goals, including the Millennium Development Goals, including proposals for consideration by Member States for more tightly managed entities in the fields of development, humanitarian assistance and the environment

Humanitarian assistance

- Upholding and respecting the humanitarian principles of humanity, neutrality, impartiality and independence and ensuring that humanitarian actors have safe and unhindered access to populations in need in conformity with the relevant provisions of international law and national laws

- Supporting the efforts of countries, in particular developing countries, to strengthen their capacities at all levels in order to prepare for and respond rapidly to natural disasters and mitigate their impact
- Strengthening the effectiveness of the United Nations humanitarian response, inter alia, by improving the timeliness and predictability of humanitarian funding, in part by improving the Central Emergency Revolving Fund
- Further developing and improving, as required, mechanisms for the use of emergency standby capacities, under the auspices of the United Nations, for a timely response to humanitarian emergencies

Environmental activities

- Recognizing the need for more efficient environmental activities in the United Nations system, with enhanced coordination, improved policy advice and guidance, strengthened scientific knowledge, assessment and cooperation, better treaty compliance, while respecting the legal autonomy of the treaties, and better integration of environmental activities in the broader sustainable development framework at the operational level, including through capacity-building, we agree to explore the possibility of a more coherent institutional framework to address this need, including a more integrated structure, building on existing institutions and internationally agreed instruments, as well as the treaty bodies and the specialized agencies

Annex II

Panel members

Shaukat Aziz, Pakistan (Co-Chair)
Prime Minister, Pakistan

Luísa Dias Diogo, Mozambique (Co-Chair)
Prime Minister, Mozambique

Jens Stoltenberg, Norway (Co-Chair)
Prime Minister, Norway

Gordon Brown, MP, United Kingdom of Great Britain and Northern Ireland
Chancellor of the Exchequer

Mohamed T. El-Ashry, Egypt
Senior Fellow, United Nations Foundation and Former Chairman and Chief Executive Officer, Global Environment Facility

Robert Greenhill, Canada
President, Canadian International Development Agency

Ruth Jacoby, Sweden
Ambassador of Sweden to Germany
Ministry of Foreign Affairs, Sweden
Former Director-General for Development Cooperation

Ricardo Lagos, Chile
Former President, Republic of Chile

Louis Michel, Belgium
European Commissioner for Development and Humanitarian Aid

Benjamin W. Mkapa, United Republic of Tanzania
Former President, United Republic of Tanzania

Jean-Michel Severino, France
Director General, French Development Agency

Josette S. Sheeran, United States of America
Under Secretary for Economic, Business and Agricultural Affairs, United States Department of State

Keizo Takemi, Japan
Senior Vice-Minister of Health, Labour and Welfare
Former State Secretary for Foreign Affairs of Japan

Ex officio

Lennart Båge
President, International Fund for Agricultural Development

Kemal Derviş
Administrator, United Nations Development Programme

Annex III

Panel secretariat

Adnan Z. Amin (Executive Director)

Koen Davidse (Research Director)

Moustapha Soumaré (Research Director)

Kai Buchholz

Mohamed El-Farnawany

Fabienne Fon Sing

Treena Huang

Maaike Jansen

Ruth McCoy

Zazie Schafer

Annex IV

Consultative process

1. To ensure that its deliberations were informed by a broad range of perspectives from all key stakeholders, the Panel agreed that it was essential to undertake a wide-ranging, but focused consultative process, in accordance with the scope of the study outlined in the Panel's terms of reference. Members considered that an inclusive consultative process was important not only to enrich the work of the Panel, but also to ensure the engagement and commitment of concerned stakeholders, a fundamental step to developing relevant and realistic recommendations and making sure that the Panel's work would lead to genuine reform.

2. The consultative process resulted in the development of an analytical base and options for consideration by the Panel. Consultations drew on research and analytical capacity from inside and outside the United Nations system, and enabled contacts with Member States, the United Nations system, intergovernmental forums, international financial institutions, academia and civil society organizations.

3. Several Panel members participated in a series of consultations at the regional and country level, in Africa, Asia, Arab States and Latin America and the Caribbean. Each consultation undertook a broad assessment of experience from six countries within that region, bringing together United Nations country teams, Government representatives, regional organizations, donors and civil society. The objectives of these consultations included enhancing understanding among Panel members of the expected role of the United Nations at country level, canvassing information on good practices as well as major challenges to the United Nations country level coherence and allowing for the integration of the views of practitioners from each region into the overall deliberations of the Panel. In addition, one Panel member undertook country visits to Indonesia, Cambodia and Thailand to analyse challenges to a coherent and effective United Nations at the country level, identify good practices and assess the country level aspects of the issues to be addressed by the Panel.

4. Similarly, a number of thematic consultations were held on the environment, the resident coordinator system, the transition from relief to development, international financial institutions, business practices and funding. These consultations allowed for interaction between Panel members and key stakeholders, including experts, the United Nations system and civil society organizations — and for building an understanding of key challenges and the type of recommendations that could be put forward. A rich consultation was also held with civil society organizations, particularly focusing on sustainable development, gender equality, gender mainstreaming and human rights.

5. Panel members held consultative meetings with intergovernmental forums (the General Assembly and the Economic and Social Council), as well as smaller briefings for regional groupings (the Group of 77 and China, the European Union, the African Group and the Latin America and Caribbean Group). Panel members were also sensitive to their responsibility to build on the United Nations system's own experience and aspirations, meeting with United Nations system organizations, through the United Nations System Chief Executives Board for Coordination (CEB), as well as smaller groupings of organizations (in Rome, Vienna and Geneva), and the regional commissions.

6. The consultative process also benefited from meetings that aimed to provide input to the Panel's work, including consultations hosted by permanent missions to the United Nations (Egypt and France) and United Nations inter-agency bodies (the CEB High-Level Committees on Programmes and Management). In addition, members of the Secretariat held a large number of bilateral meetings with Government representatives (from various ministries and/or permanent missions to the United Nations), United Nations system organizations and civil society organizations.

7. Furthermore, papers were commissioned that fed into the consultative process, including those on gender, business practices, funding, humanitarian assistance, the transition from relief to development and the United Nations institutional architecture.

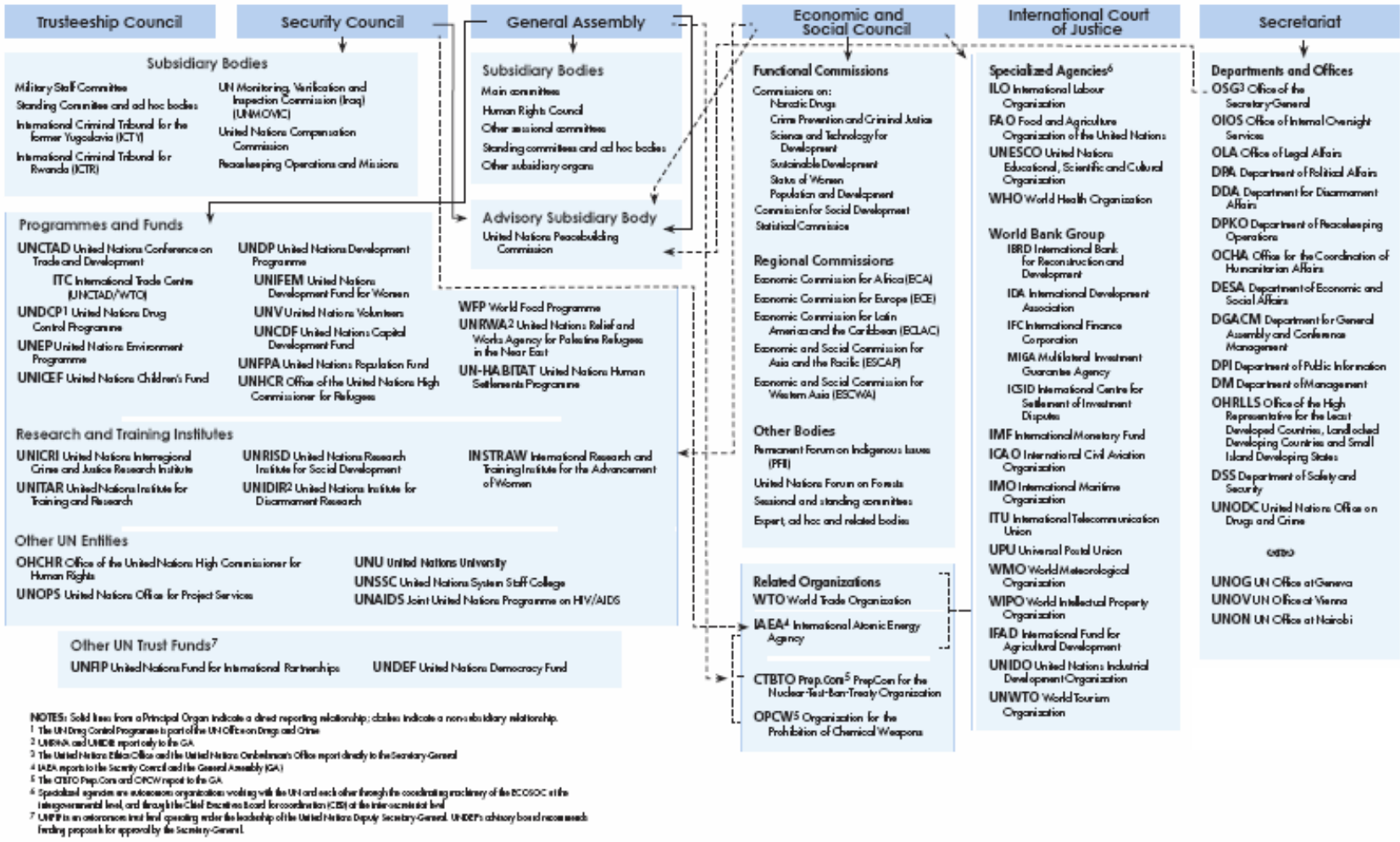
Panel meetings and consultations, 2006

Meeting	*Date*	*Venue*
First Panel meeting	4 and 5 April	New York
Meeting with the General Assembly	6 April	New York
Meeting with the United Nations System Chief Executives Board for Coordination	7 and 8 April	Segovia
Consultation on the environment	4 and 5 May	Nairobi
Regional consultation for Africa	8 and 9 May	Maputo
Consultation on the resident coordinator system	15 May	Vienna
Consultation on transition from relief to development	19 May	Rome
Meeting with executive heads of Rome-based agencies	20 May	Rome
Regional consultation for Asia	24 and 25 May	Islamabad
Second Panel meeting	1 and 2 June	Geneva
Meeting with executive heads of Geneva-based agencies	3 June	Geneva
Regional consultation for Arab States	20 and 21 June	Cairo
Consultation with international financial institutions	26 June	Washington, D.C.
Consultation on business practices	26 June	Washington, D.C.
Consultation on funding	29 June	London

Meeting	*Date*	*Venue*
Meeting of Sherpas in preparation for the third Panel meeting	30 June	London
Consultation with civil society organizations	2 July	Geneva
Third Panel meeting	3 and 4 July	Geneva
Dialogue with the Economic and Social Council	4 July	Geneva
Meeting with the regional commissions	4 July	Geneva
Regional consultation for Latin America and the Caribbean	28 and 29 July	Bridgetown
Meeting of Sherpas in preparation for the fourth Panel meeting	17 and 18 August	New York
Fourth Panel meeting	31 August and 1 September	Oslo

Annex V

The United Nations system



NOTES: Solid lines from a Principal Organ indicate a direct reporting relationship; dashes indicate a non-subsidiary relationship.
1 The UN Drug Control Programme is part of the UN Office on Drugs and Crime.
2 UNRWA and UNIDIR report only to the GA.
3 The United Nations Ethics Office and the United Nations Ombudsman's Office report directly to the Secretary-General.
4 IAEA reports to the Security Council and the General Assembly (GA).
5 The CTBTO Prep.Com and OPCW report to the GA.
6 Specialized agencies are autonomous organizations working with the UN and each other through the coordinating machinery of the ECOSOC at the intergovernmental level, and through the Chief Executives Board for coordination (CEB) at the inter-secretariat level.
7 UNFIP is an autonomous trust fund operating under the leadership of the United Nations Deputy Secretary-General. UNDEF's advisory board recommends funding proposals for approval by the Secretary-General.

Acknowledgements

The members of the High-Level Panel on United Nations System-Wide Coherence in the areas of development, humanitarian assistance and the environment would like to express sincere appreciation to their respective aides and advisers for their substantive contributions and dedication.

The Panel's work was made possible by generous financial contributions to a dedicated trust fund. In this regard, the Panel expresses its deep gratitude to the Governments of Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Japan, Luxembourg, the Netherlands, Norway, Sweden, the United Kingdom of Great Britain and Northern Ireland and the United States of America.

Contributions in-kind supporting the work of the Panel secretariat were gratefully received from the International Labour Organization (ILO), the Netherlands Ministry of Foreign Affairs, the United Nations System Chief Executives Board for Coordination (CEB) secretariat, the United Nations Development Group office, the United Nations Development Programme, the United Nations Environment Programme (UNEP), the United Nations Population Fund (UNFPA) and the World Food Programme (WFP). Particularly appreciation is extended to UNEP for its generous gesture in providing office space for the Panel secretariat.

The Panel would also like to extend its gratitude to the Governments and United Nations organizations that hosted consultations and meetings, including: the Governments of Austria, Barbados, Egypt, Italy, Kenya, Mozambique, Norway, Pakistan, Spain and the United Kingdom; the Permanent Missions to the United Nations of Egypt, France and Norway in New York; UNEP, ILO, the United Nations Industrial Development Organization, the United Nations Foundation, the United Nations Office at Geneva, the World Bank, WFP, the World Health Organization, the World Tourism Organization and relevant resident coordinators and United Nations country teams, in particular those in Barbados, Egypt, Mozambique and Pakistan.

The Panel's work also benefited greatly from the views of a large number of Government, United Nations organization and civil society representatives and individual experts who provided valuable perspectives to the Panel in the course of its consultative process, in particular Donald Skerrett, who donated his time and expertise in the area of business practices. UNFPA kindly made available the services of Brendan O'Brien to support country-level consultations. The Panel's work was further enriched by the many insightful written contributions that it received.

The Panel would like to express its deep appreciation to the Secretary-General for having entrusted the members of the Panel with such an important task, and having brought together a remarkable mixture of perspectives and experience in order to formulate recommendations that we hope will effect a major and lasting change on the enhanced functioning of the United Nations system. We would also like to thank the Deputy Secretary-General for his valuable support throughout this process.

Finally, the Panel expresses its sincere appreciation to members of the Panel secretariat for their extensive substantive and administrative support and commitment.

All of these contributions are much appreciated and gratefully acknowledged.

General Assembly

Distr.: General
24 October 2005

Sixtieth session
Agenda items 46 and 120

Resolution adopted by the General Assembly

[*without reference to a Main Committee (A/60/L.1)*]

60/1. 2005 World Summit Outcome

The General Assembly

Adopts the following 2005 World Summit Outcome:

2005 World Summit Outcome

I. Values and principles

1. We, Heads of State and Government, have gathered at United Nations Headquarters in New York from 14 to 16 September 2005.

2. We reaffirm our faith in the United Nations and our commitment to the purposes and principles of the Charter of the United Nations and international law, which are indispensable foundations of a more peaceful, prosperous and just world, and reiterate our determination to foster strict respect for them.

3. We reaffirm the United Nations Millennium Declaration,[1] which we adopted at the dawn of the twenty-first century. We recognize the valuable role of the major United Nations conferences and summits in the economic, social and related fields, including the Millennium Summit, in mobilizing the international community at the local, national, regional and global levels and in guiding the work of the United Nations.

4. We reaffirm that our common fundamental values, including freedom, equality, solidarity, tolerance, respect for all human rights, respect for nature and shared responsibility, are essential to international relations.

5. We are determined to establish a just and lasting peace all over the world in accordance with the purposes and principles of the Charter. We rededicate ourselves to support all efforts to uphold the sovereign equality of all States, respect their territorial integrity and political independence, to refrain in our international relations from the threat or use of force in any manner inconsistent with the purposes and principles of the United Nations, to uphold resolution of disputes by

[1] See resolution 55/2.

peaceful means and in conformity with the principles of justice and international law, the right to self-determination of peoples which remain under colonial domination and foreign occupation, non-interference in the internal affairs of States, respect for human rights and fundamental freedoms, respect for the equal rights of all without distinction as to race, sex, language or religion, international cooperation in solving international problems of an economic, social, cultural or humanitarian character and the fulfilment in good faith of the obligations assumed in accordance with the Charter.

6. We reaffirm the vital importance of an effective multilateral system, in accordance with international law, in order to better address the multifaceted and interconnected challenges and threats confronting our world and to achieve progress in the areas of peace and security, development and human rights, underlining the central role of the United Nations, and commit ourselves to promoting and strengthening the effectiveness of the Organization through the implementation of its decisions and resolutions.

7. We believe that today, more than ever before, we live in a global and interdependent world. No State can stand wholly alone. We acknowledge that collective security depends on effective cooperation, in accordance with international law, against transnational threats.

8. We recognize that current developments and circumstances require that we urgently build consensus on major threats and challenges. We commit ourselves to translating that consensus into concrete action, including addressing the root causes of those threats and challenges with resolve and determination.

9. We acknowledge that peace and security, development and human rights are the pillars of the United Nations system and the foundations for collective security and well-being. We recognize that development, peace and security and human rights are interlinked and mutually reinforcing.

10. We reaffirm that development is a central goal in itself and that sustainable development in its economic, social and environmental aspects constitutes a key element of the overarching framework of United Nations activities.

11. We acknowledge that good governance and the rule of law at the national and international levels are essential for sustained economic growth, sustainable development and the eradication of poverty and hunger.

12. We reaffirm that gender equality and the promotion and protection of the full enjoyment of all human rights and fundamental freedoms for all are essential to advance development and peace and security. We are committed to creating a world fit for future generations, which takes into account the best interests of the child.

13. We reaffirm the universality, indivisibility, interdependence and interrelatedness of all human rights.

14. Acknowledging the diversity of the world, we recognize that all cultures and civilizations contribute to the enrichment of humankind. We acknowledge the importance of respect and understanding for religious and cultural diversity throughout the world. In order to promote international peace and security, we commit ourselves to advancing human welfare, freedom and progress everywhere, as well as to encouraging tolerance, respect, dialogue and cooperation among different cultures, civilizations and peoples.

15. We pledge to enhance the relevance, effectiveness, efficiency, accountability and credibility of the United Nations system. This is our shared responsibility and interest.

16. We therefore resolve to create a more peaceful, prosperous and democratic world and to undertake concrete measures to continue finding ways to implement the outcome of the Millennium Summit and the other major United Nations conferences and summits so as to provide multilateral solutions to problems in the four following areas:

- Development
- Peace and collective security
- Human rights and the rule of law
- Strengthening of the United Nations

II. Development

17. We strongly reiterate our determination to ensure the timely and full realization of the development goals and objectives agreed at the major United Nations conferences and summits, including those agreed at the Millennium Summit that are described as the Millennium Development Goals, which have helped to galvanize efforts towards poverty eradication.

18. We emphasize the vital role played by the major United Nations conferences and summits in the economic, social and related fields in shaping a broad development vision and in identifying commonly agreed objectives, which have contributed to improving human life in different parts of the world.

19. We reaffirm our commitment to eradicate poverty and promote sustained economic growth, sustainable development and global prosperity for all. We are encouraged by reductions in poverty in some countries in the recent past and are determined to reinforce and extend this trend to benefit people worldwide. We remain concerned, however, about the slow and uneven progress towards poverty eradication and the realization of other development goals in some regions. We commit ourselves to promoting the development of the productive sectors in developing countries to enable them to participate more effectively in and benefit from the process of globalization. We underline the need for urgent action on all sides, including more ambitious national development strategies and efforts backed by increased international support.

Global partnership for development

20. We reaffirm our commitment to the global partnership for development set out in the Millennium Declaration,[1] the Monterrey Consensus[2] and the Johannesburg Plan of Implementation.[3]

21. We further reaffirm our commitment to sound policies, good governance at all levels and the rule of law, and to mobilize domestic resources, attract international

---

[2] Monterrey Consensus of the International Conference on Financing for Development (*Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex).

[3] Plan of Implementation of the World Summit on Sustainable Development (*Report of the World Summit on Sustainable Development, Johannesburg, South Africa, 26 August-4 September 2002* (United Nations publication, Sales No. E.03.II. A.1 and corrigendum), chap I, resolution 2, annex).

flows, promote international trade as an engine for development and increase international financial and technical cooperation for development, sustainable debt financing and external debt relief and to enhance the coherence and consistency of the international monetary, financial and trading systems.

22. We reaffirm that each country must take primary responsibility for its own development and that the role of national policies and development strategies cannot be overemphasized in the achievement of sustainable development. We also recognize that national efforts should be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of developing countries, while taking into account national conditions and ensuring respect for national ownership, strategies and sovereignty. To this end, we resolve:

(*a*) To adopt, by 2006, and implement comprehensive national development strategies to achieve the internationally agreed development goals and objectives, including the Millennium Development Goals;

(*b*) To manage public finances effectively to achieve and maintain macroeconomic stability and long-term growth and to make effective and transparent use of public funds and ensure that development assistance is used to build national capacities;

(*c*) To support efforts by developing countries to adopt and implement national development policies and strategies through increased development assistance, the promotion of international trade as an engine for development, the transfer of technology on mutually agreed terms, increased investment flows and wider and deeper debt relief, and to support developing countries by providing a substantial increase in aid of sufficient quality and arriving in a timely manner to assist them in achieving the internationally agreed development goals, including the Millennium Development Goals;

(*d*) That the increasing interdependence of national economies in a globalizing world and the emergence of rule-based regimes for international economic relations have meant that the space for national economic policy, that is, the scope for domestic policies, especially in the areas of trade, investment and industrial development, is now often framed by international disciplines, commitments and global market considerations. It is for each Government to evaluate the trade-off between the benefits of accepting international rules and commitments and the constraints posed by the loss of policy space. It is particularly important for developing countries, bearing in mind development goals and objectives, that all countries take into account the need for appropriate balance between national policy space and international disciplines and commitments;

(*e*) To enhance the contribution of non-governmental organizations, civil society, the private sector and other stakeholders in national development efforts, as well as in the promotion of the global partnership for development;

(*f*) To ensure that the United Nations funds and programmes and the specialized agencies support the efforts of developing countries through the common country assessment and United Nations Development Assistance Framework process, enhancing their support for capacity-building;

(*g*) To protect our natural resource base in support of development.

Financing for development

23. We reaffirm the Monterrey Consensus[2] and recognize that mobilizing financial resources for development and the effective use of those resources in developing countries and countries with economies in transition are central to a global partnership for development in support of the achievement of the internationally agreed development goals, including the Millennium Development Goals. In this regard:

(*a*) We are encouraged by recent commitments to substantial increases in official development assistance and the Organization for Economic Cooperation and Development estimate that official development assistance to all developing countries will now increase by around 50 billion United States dollars a year by 2010, while recognizing that a substantial increase in such assistance is required to achieve the internationally agreed goals, including the Millennium Development Goals, within their respective time frames;

(*b*) We welcome the increased resources that will become available as a result of the establishment of timetables by many developed countries to achieve the target of 0.7 per cent of gross national product for official development assistance by 2015 and to reach at least 0.5 per cent of gross national product for official development assistance by 2010 as well as, pursuant to the Brussels Programme of Action for the Least Developed Countries for the Decade 2001-2010,[4] 0.15 per cent to 0.20 per cent for the least developed countries no later than 2010, and urge those developed countries that have not yet done so to make concrete efforts in this regard in accordance with their commitments;

(*c*) We further welcome recent efforts and initiatives to enhance the quality of aid and to increase its impact, including the Paris Declaration on Aid Effectiveness, and resolve to take concrete, effective and timely action in implementing all agreed commitments on aid effectiveness, with clear monitoring and deadlines, including through further aligning assistance with countries' strategies, building institutional capacities, reducing transaction costs and eliminating bureaucratic procedures, making progress on untying aid, enhancing the absorptive capacity and financial management of recipient countries and strengthening the focus on development results;

(*d*) We recognize the value of developing innovative sources of financing, provided those sources do not unduly burden developing countries. In that regard, we take note with interest of the international efforts, contributions and discussions, such as the Action against Hunger and Poverty, aimed at identifying innovative and additional sources of financing for development on a public, private, domestic or external basis to increase and supplement traditional sources of financing. Some countries will implement the International Finance Facility. Some countries have launched the International Finance Facility for immunization. Some countries will implement in the near future, utilizing their national authorities, a contribution on airline tickets to enable the financing of development projects, in particular in the health sector, directly or through financing of the International Finance Facility. Other countries are considering whether and to what extent they will participate in these initiatives;

[4] A/CONF.191/13, chap. II.

(*e*) We acknowledge the vital role the private sector can play in generating new investments, employment and financing for development;

(*f*) We resolve to address the development needs of low-income developing countries by working in competent multilateral and international forums, to help them meet, inter alia, their financial, technical and technological requirements;

(*g*) We resolve to continue to support the development efforts of middle-income developing countries by working, in competent multilateral and international forums and also through bilateral arrangements, on measures to help them meet, inter alia, their financial, technical and technological requirements;

(*h*) We resolve to operationalize the World Solidarity Fund established by the General Assembly and invite those countries in a position to do so to make voluntary contributions to the Fund;

(*i*) We recognize the need for access to financial services, in particular for the poor, including through microfinance and microcredit.

Domestic resource mobilization

24. In our common pursuit of growth, poverty eradication and sustainable development, a critical challenge is to ensure the necessary internal conditions for mobilizing domestic savings, both public and private, sustaining adequate levels of productive investment, increasing human capacity, reducing capital flight, curbing the illicit transfer of funds and enhancing international cooperation for creating an enabling domestic environment. We undertake to support the efforts of developing countries to create a domestic enabling environment for mobilizing domestic resources. To this end, we therefore resolve:

(*a*) To pursue good governance and sound macroeconomic policies at all levels and support developing countries in their efforts to put in place the policies and investments to drive sustained economic growth, promote small and medium-sized enterprises, promote employment generation and stimulate the private sector;

(*b*) To reaffirm that good governance is essential for sustainable development; that sound economic policies, solid democratic institutions responsive to the needs of the people and improved infrastructure are the basis for sustained economic growth, poverty eradication and employment creation; and that freedom, peace and security, domestic stability, respect for human rights, including the right to development, the rule of law, gender equality and market-oriented policies and an overall commitment to just and democratic societies are also essential and mutually reinforcing;

(*c*) To make the fight against corruption a priority at all levels and we welcome all actions taken in this regard at the national and international levels, including the adoption of policies that emphasize accountability, transparent public sector management and corporate responsibility and accountability, including efforts to return assets transferred through corruption, consistent with the United Nations Convention against Corruption.[5] We urge all States that have not done so to consider signing, ratifying and implementing the Convention;

(*d*) To channel private capabilities and resources into stimulating the private sector in developing countries through actions in the public, public/private and

[5] Resolution 58/4, annex.

private spheres to create an enabling environment for partnership and innovation that contributes to accelerated economic development and hunger and poverty eradication;

(*e*) To support efforts to reduce capital flight and measures to curb the illicit transfer of funds.

Investment

25. We resolve to encourage greater direct investment, including foreign investment, in developing countries and countries with economies in transition to support their development activities and to enhance the benefits they can derive from such investments. In this regard:

(*a*) We continue to support efforts by developing countries and countries with economies in transition to create a domestic environment conducive to attracting investments through, inter alia, achieving a transparent, stable and predictable investment climate with proper contract enforcement and respect for property rights and the rule of law and pursuing appropriate policy and regulatory frameworks that encourage business formation;

(*b*) We will put into place policies to ensure adequate investment in a sustainable manner in health, clean water and sanitation, housing and education and in the provision of public goods and social safety nets to protect vulnerable and disadvantaged sectors of society;

(*c*) We invite national Governments seeking to develop infrastructure projects and generate foreign direct investment to pursue strategies with the involvement of both the public and private sectors and, where appropriate, international donors;

(*d*) We call upon international financial and banking institutions to consider enhancing the transparency of risk rating mechanisms. Sovereign risk assessments, made by the private sector should maximize the use of strict, objective and transparent parameters, which can be facilitated by high-quality data and analysis;

(*e*) We underscore the need to sustain sufficient and stable private financial flows to developing countries and countries with economies in transition. It is important to promote measures in source and destination countries to improve transparency and the information about financial flows to developing countries, particularly countries in Africa, the least developed countries, small island developing States and landlocked developing countries. Measures that mitigate the impact of excessive volatility of short-term capital flows are important and must be considered.

Debt

26. We emphasize the high importance of a timely, effective, comprehensive and durable solution to the debt problems of developing countries, since debt financing and relief can be an important source of capital for development. To this end:

(*a*) We welcome the recent proposals of the Group of Eight to cancel 100 per cent of the outstanding debt of eligible heavily indebted poor countries owed to the International Monetary Fund, the International Development Association and African Development Fund and to provide additional resources to ensure that the financing capacity of the international financial institutions is not reduced;

(*b*) We emphasize that debt sustainability is essential for underpinning growth and underline the importance of debt sustainability to the efforts to achieve national development goals, including the Millennium Development Goals, recognizing the key role that debt relief can play in liberating resources that can be directed towards activities consistent with poverty eradication, sustained economic growth and sustainable development;

(*c*) We further stress the need to consider additional measures and initiatives aimed at ensuring long-term debt sustainability through increased grant-based financing, cancellation of 100 per cent of the official multilateral and bilateral debt of heavily indebted poor countries and, where appropriate, and on a case-by-case basis, to consider significant debt relief or restructuring for low- and middle-income developing countries with an unsustainable debt burden that are not part of the Heavily Indebted Poor Countries Initiative, as well as the exploration of mechanisms to comprehensively address the debt problems of those countries. Such mechanisms may include debt for sustainable development swaps or multicreditor debt swap arrangements, as appropriate. These initiatives could include further efforts by the International Monetary Fund and the World Bank to develop the debt sustainability framework for low-income countries. This should be achieved in a fashion that does not detract from official development assistance resources, while maintaining the financial integrity of the multilateral financial institutions.

Trade

27. A universal, rule-based, open, non-discriminatory and equitable multilateral trading system, as well as meaningful trade liberalization, can substantially stimulate development worldwide, benefiting countries at all stages of development. In that regard, we reaffirm our commitment to trade liberalization and to ensure that trade plays its full part in promoting economic growth, employment and development for all.

28. We are committed to efforts designed to ensure that developing countries, especially the least-developed countries, participate fully in the world trading system in order to meet their economic development needs, and reaffirm our commitment to enhanced and predictable market access for the exports of developing countries.

29. We will work towards the objective, in accordance with the Brussels Programme of Action,[4] of duty-free and quota-free market access for all least developed countries' products to the markets of developed countries, as well as to the markets of developing countries in a position to do so, and support their efforts to overcome their supply-side constraints.

30. We are committed to supporting and promoting increased aid to build productive and trade capacities of developing countries and to taking further steps in that regard, while welcoming the substantial support already provided.

31. We will work to accelerate and facilitate the accession of developing countries and countries with economies in transition to the World Trade Organization consistent with its criteria, recognizing the importance of universal integration in the rules-based global trading system.

32. We will work expeditiously towards implementing the development dimensions of the Doha work programme.[6]

Commodities

33. We emphasize the need to address the impact of weak and volatile commodity prices and support the efforts of commodity-dependent countries to restructure, diversify and strengthen the competitiveness of their commodity sectors.

Quick-impact initiatives

34. Given the need to accelerate progress immediately in countries where current trends make the achievement of the internationally agreed development goals unlikely, we resolve to urgently identify and implement country-led initiatives with adequate international support, consistent with long-term national development strategies, that promise immediate and durable improvements in the lives of people and renewed hope for the achievement of the development goals. In this regard, we will take such actions as the distribution of malaria bed nets, including free distribution, where appropriate, and effective anti-malarial treatments, the expansion of local school meal programmes, using home-grown foods where possible, and the elimination of user fees for primary education and, where appropriate, health-care services.

Systemic issues and global economic decision-making

35. We reaffirm the commitment to broaden and strengthen the participation of developing countries and countries with economies in transition in international economic decision-making and norm-setting, and to that end stress the importance of continuing efforts to reform the international financial architecture, noting that enhancing the voice and participation of developing countries and countries with economies in transition in the Bretton Woods institutions remains a continuous concern.

36. We reaffirm our commitment to governance, equity and transparency in the financial, monetary and trading systems. We are also committed to open, equitable, rule-based, predictable and non-discriminatory multilateral trading and financial systems.

37. We also underscore our commitment to sound domestic financial sectors, which make a vital contribution to national development efforts, as an important component of an international financial architecture that is supportive of development.

38. We further reaffirm the need for the United Nations to play a fundamental role in the promotion of international cooperation for development and the coherence, coordination and implementation of development goals and actions agreed upon by the international community, and we resolve to strengthen coordination within the United Nations system in close cooperation with all other multilateral financial, trade and development institutions in order to support sustained economic growth, poverty eradication and sustainable development.

39. Good governance at the international level is fundamental for achieving sustainable development. In order to ensure a dynamic and enabling international

[6] See A/C.2/56/7, annex.

economic environment, it is important to promote global economic governance through addressing the international finance, trade, technology and investment patterns that have an impact on the development prospects of developing countries. To this effect, the international community should take all necessary and appropriate measures, including ensuring support for structural and macroeconomic reform, a comprehensive solution to the external debt problem and increasing the market access of developing countries.

South-South cooperation

40. We recognize the achievements and great potential of South-South cooperation and encourage the promotion of such cooperation, which complements North-South cooperation as an effective contribution to development and as a means to share best practices and provide enhanced technical cooperation. In this context, we note the recent decision of the leaders of the South, adopted at the Second South Summit and contained in the Doha Declaration[7] and the Doha Plan of Action,[8] to intensify their efforts at South-South cooperation, including through the establishment of the New Asian-African Strategic Partnership and other regional cooperation mechanisms, and encourage the international community, including the international financial institutions, to support the efforts of developing countries, inter alia, through triangular cooperation. We also take note with appreciation of the launching of the third round of negotiations on the Global System of Trade Preferences among Developing Countries as an important instrument to stimulate South-South cooperation.

41. We welcome the work of the United Nations High-Level Committee on South-South Cooperation and invite countries to consider supporting the Special Unit for South-South Cooperation within the United Nations Development Programme in order to respond effectively to the development needs of developing countries.

42. We recognize the considerable contribution of arrangements such as the Organization of Petroleum Exporting Countries Fund initiated by a group of developing countries, as well as the potential contribution of the South Fund for Development and Humanitarian Assistance, to development activities in developing countries.

Education

43. We emphasize the critical role of both formal and informal education in the achievement of poverty eradication and other development goals as envisaged in the Millennium Declaration,[1] in particular basic education and training for eradicating illiteracy, and strive for expanded secondary and higher education as well as vocational education and technical training, especially for girls and women, the creation of human resources and infrastructure capabilities and the empowerment of those living in poverty. In this context, we reaffirm the Dakar Framework for Action adopted at the World Education Forum in 2000[9] and recognize the importance of the United Nations Educational, Scientific and Cultural Organization strategy for the eradication of poverty, especially extreme poverty, in supporting the Education for

[7] A/60/111, annex I.

[8] Ibid., annex II.

[9] See United Nations Educational, Scientific and Cultural Organization, *Final Report of the World Education Forum, Dakar, Senegal, 26-28 April 2000* (Paris, 2000).

All programmes as a tool to achieve the millennium development goal of universal primary education by 2015.

44. We reaffirm our commitment to support developing country efforts to ensure that all children have access to and complete free and compulsory primary education of good quality, to eliminate gender inequality and imbalance and to renew efforts to improve girls' education. We also commit ourselves to continuing to support the efforts of developing countries in the implementation of the Education for All initiative, including with enhanced resources of all types through the Education for All fast-track initiative in support of country-led national education plans.

45. We commit ourselves to promoting education for peace and human development.

Rural and agricultural development

46. We reaffirm that food security and rural and agricultural development must be adequately and urgently addressed in the context of national development and response strategies and, in this context, will enhance the contributions of indigenous and local communities, as appropriate. We are convinced that the eradication of poverty, hunger and malnutrition, particularly as they affect children, is crucial for the achievement of the Millennium Development Goals. Rural and agricultural development should be an integral part of national and international development policies. We deem it necessary to increase productive investment in rural and agricultural development to achieve food security. We commit ourselves to increasing support for agricultural development and trade capacity-building in the agricultural sector in developing countries. Support for commodity development projects, especially market-based projects, and for their preparation under the Second Account of the Common Fund for Commodities should be encouraged.

Employment

47. We strongly support fair globalization and resolve to make the goals of full and productive employment and decent work for all, including for women and young people, a central objective of our relevant national and international policies as well as our national development strategies, including poverty reduction strategies, as part of our efforts to achieve the Millennium Development Goals. These measures should also encompass the elimination of the worst forms of child labour, as defined in International Labour Organization Convention No. 182, and forced labour. We also resolve to ensure full respect for the fundamental principles and rights at work.

Sustainable development: managing and protecting our common environment

48. We reaffirm our commitment to achieve the goal of sustainable development, including through the implementation of Agenda 21[10] and the Johannesburg Plan of Implementation.[3] To this end, we commit ourselves to undertaking concrete actions and measures at all levels and to enhancing international cooperation, taking into account the Rio principles.[11] These efforts will also promote the integration of the

[10] *Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992* (United Nations publication, Sales No. E.93.I.8 and corrigenda), vol. I: *Resolutions adopted by the Conference*, resolution 1, annex II.

[11] Ibid., annex I.

three components of sustainable development – economic development, social development and environmental protection – as interdependent and mutually reinforcing pillars. Poverty eradication, changing unsustainable patterns of production and consumption and protecting and managing the natural resource base of economic and social development are overarching objectives of and essential requirements for sustainable development.

49. We will promote sustainable consumption and production patterns, with the developed countries taking the lead and all countries benefiting from the process, as called for in the Johannesburg Plan of Implementation. In that context, we support developing countries in their efforts to promote a recycling economy.

50. We face serious and multiple challenges in tackling climate change, promoting clean energy, meeting energy needs and achieving sustainable development, and we will act with resolve and urgency in this regard.

51. We recognize that climate change is a serious and long-term challenge that has the potential to affect every part of the globe. We emphasize the need to meet all the commitments and obligations we have undertaken in the United Nations Framework Convention on Climate Change [12] and other relevant international agreements, including, for many of us, the Kyoto Protocol.[13] The Convention is the appropriate framework for addressing future action on climate change at the global level.

52. We reaffirm our commitment to the ultimate objective of the Convention: to stabilize greenhouse gas concentrations in the atmosphere at a level that prevents dangerous anthropogenic interference with the climate system.

53. We acknowledge that the global nature of climate change calls for the widest possible cooperation and participation in an effective and appropriate international response, in accordance with the principles of the Convention. We are committed to moving forward the global discussion on long-term cooperative action to address climate change, in accordance with these principles. We stress the importance of the eleventh session of the Conference of the Parties to the Convention, to be held in Montreal in November 2005.

54. We acknowledge various partnerships that are under way to advance action on clean energy and climate change, including bilateral, regional and multilateral initiatives.

55. We are committed to taking further action through practical international cooperation, inter alia:

(*a*) To promote innovation, clean energy and energy efficiency and conservation; improve policy, regulatory and financing frameworks; and accelerate the deployment of cleaner technologies;

(*b*) To enhance private investment, transfer of technologies and capacity-building to developing countries, as called for in the Johannesburg Plan of Implementation, taking into account their own energy needs and priorities;

(*c*) To assist developing countries to improve their resilience and integrate adaptation goals into their sustainable development strategies, given that adaptation to the effects of climate change due to both natural and human factors is a high

[12] United Nations, *Treaty Series*, vol. 1771, No. 30822.

[13] FCCC/CP/1997/7/Add.1, decision 1/CP.3, annex.

priority for all nations, particularly those most vulnerable, namely, those referred to in article 4.8 of the Convention;

(*d*) To continue to assist developing countries, in particular small island developing States, least developed countries and African countries, including those that are particularly vulnerable to climate change, in addressing their adaptation needs relating to the adverse effects of climate change.

56. In pursuance of our commitment to achieve sustainable development, we further resolve:

(*a*) To promote the United Nations Decade of Education for Sustainable Development and the International Decade for Action, "Water for Life";

(*b*) To support and strengthen the implementation of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa, [14] to address causes of desertification and land degradation, as well as poverty resulting from land degradation, through, inter alia, the mobilization of adequate and predictable financial resources, the transfer of technology and capacity-building at all levels;

(*c*) That the States parties to the Convention on Biological Diversity[15] and the Cartagena Protocol on Biosafety[16] should support the implementation of the Convention and the Protocol, as well as other biodiversity-related agreements and the Johannesburg commitment for a significant reduction in the rate of loss of biodiversity by 2010. The States parties will continue to negotiate within the framework of the Convention on Biological Diversity, bearing in mind the Bonn Guidelines, [17] an international regime to promote and safeguard the fair and equitable sharing of benefits arising out of the utilization of genetic resources. All States will fulfil commitments and significantly reduce the rate of loss of biodiversity by 2010 and continue ongoing efforts towards elaborating and negotiating an international regime on access to genetic resources and benefit-sharing;

(*d*) To recognize that the sustainable development of indigenous peoples and their communities is crucial in our fight against hunger and poverty;

(*e*) To reaffirm our commitment, subject to national legislation, to respect, preserve and maintain the knowledge, innovations and practices of indigenous and local communities embodying traditional lifestyles relevant to the conservation and sustainable use of biological diversity, promote their wider application with the approval and involvement of the holders of such knowledge, innovations and practices and encourage the equitable sharing of the benefits arising from their utilization;

(*f*) To work expeditiously towards the establishment of a worldwide early warning system for all natural hazards with regional nodes, building on existing national and regional capacity such as the newly established Indian Ocean Tsunami Warning and Mitigation System;

---

[14] United Nations, *Treaty Series*, vol. 1954, No. 33480

[15] Ibid., vol. 1760, No. 30619.

[16] UNEP/CBD/ExCOP/1/3 and Corr.1, part two, annex.

[17] UNEP/CBD/COP/6/20, annex I, decision VI/24A.

(*g*) To fully implement the Hyogo Declaration[18] and the Hyogo Framework for Action 2005–2015[19] adopted at the World Conference on Disaster Reduction, in particular those commitments related to assistance for developing countries that are prone to natural disasters and disaster-stricken States in the transition phase towards sustainable physical, social and economic recovery, for risk-reduction activities in post-disaster recovery and for rehabilitation processes;

(*h*) To assist developing countries' efforts to prepare integrated water resources management and water efficiency plans as part of their national development strategies and to provide access to safe drinking water and basic sanitation in accordance with the Millennium Declaration[1] and the Johannesburg Plan of Implementation,[3] including halving by 2015 the proportion of people who are unable to reach or afford safe drinking water and who do not have access to basic sanitation;

(*i*) To accelerate the development and dissemination of affordable and cleaner energy efficiency and energy conservation technologies, as well as the transfer of such technologies, in particular to developing countries, on favourable terms, including on concessional and preferential terms, as mutually agreed, bearing in mind that access to energy facilitates the eradication of poverty;

(*j*) To strengthen the conservation, sustainable management and development of all types of forests for the benefit of current and future generations, including through enhanced international cooperation, so that trees and forests may contribute fully to the achievement of the internationally agreed development goals, including those contained in the Millennium Declaration, taking full account of the linkages between the forest sector and other sectors. We look forward to the discussions at the sixth session of the United Nations Forum on Forests;

(*k*) To promote the sound management of chemicals and hazardous wastes throughout their life cycle, in accordance with Agenda 21 and the Johannesburg Plan of Implementation, aiming to achieve that by 2020 chemicals are used and produced in ways that lead to the minimization of significant adverse effects on human health and the environment using transparent and science-based risk assessment and risk management procedures, by adopting and implementing a voluntary strategic approach to international management of chemicals, and to support developing countries in strengthening their capacity for the sound management of chemicals and hazardous wastes by providing technical and financial assistance, as appropriate;

(*l*) To improve cooperation and coordination at all levels in order to address issues related to oceans and seas in an integrated manner and promote integrated management and sustainable development of the oceans and seas;

(*m*) To achieve significant improvement in the lives of at least 100 million slum-dwellers by 2020, recognizing the urgent need for the provision of increased resources for affordable housing and housing-related infrastructure, prioritizing slum prevention and slum upgrading, and to encourage support for the United Nations Habitat and Human Settlements Foundation and its Slum Upgrading Facility;

---

[18] A/CONF.206/6 and Corr.1, chap. I, resolution 1.

[19] Hyogo Framework for Action 2005-2015: Building the Resilience of Nations and Communities to Disasters (A/CONF.206/6 and Corr.1, chap. I, resolution 2).

(*n*) To acknowledge the invaluable role of the Global Environment Facility in facilitating cooperation with developing countries; we look forward to a successful replenishment this year along with the successful conclusion of all outstanding commitments from the third replenishment;

(*o*) To note that cessation of the transport of radioactive materials through the regions of small island developing States is an ultimate desired goal of small island developing States and some other countries and recognize the right of freedom of navigation in accordance with international law. States should maintain dialogue and consultation, in particular under the aegis of the International Atomic Energy Agency and the International Maritime Organization, with the aim of improved mutual understanding, confidence-building and enhanced communication in relation to the safe maritime transport of radioactive materials. States involved in the transport of such materials are urged to continue to engage in dialogue with small island developing States and other States to address their concerns. These concerns include the further development and strengthening, within the appropriate forums, of international regulatory regimes to enhance safety, disclosure, liability, security and compensation in relation to such transport.

HIV/AIDS, malaria, tuberculosis and other health issues

57. We recognize that HIV/AIDS, malaria, tuberculosis and other infectious diseases pose severe risks for the entire world and serious challenges to the achievement of development goals. We acknowledge the substantial efforts and financial contributions made by the international community, while recognizing that these diseases and other emerging health challenges require a sustained international response. To this end, we commit ourselves to:

(*a*) Increasing investment, building on existing mechanisms and through partnership, to improve health systems in developing countries and those with economies in transition with the aim of providing sufficient health workers, infrastructure, management systems and supplies to achieve the health-related Millennium Development Goals by 2015;

(*b*) Implementing measures to increase the capacity of adults and adolescents to protect themselves from the risk of HIV infection;

(*c*) Fully implementing all commitments established by the Declaration of Commitment on HIV/AIDS[20] through stronger leadership, the scaling up of a comprehensive response to achieve broad multisectoral coverage for prevention, care, treatment and support, the mobilization of additional resources from national, bilateral, multilateral and private sources and the substantial funding of the Global Fund to Fight AIDS, Tuberculosis and Malaria as well as of the HIV/AIDS component of the work programmes of the United Nations system agencies and programmes engaged in the fight against HIV/AIDS;

(*d*) Developing and implementing a package for HIV prevention, treatment and care with the aim of coming as close as possible to the goal of universal access to treatment by 2010 for all those who need it, including through increased resources, and working towards the elimination of stigma and discrimination, enhanced access to affordable medicines and the reduction of vulnerability of

[20] Resolution S-26/2, annex.

persons affected by HIV/AIDS and other health issues, in particular orphaned and vulnerable children and older persons;

(*e*) Ensuring the full implementation of our obligations under the International Health Regulations adopted by the fifty-eighth World Health Assembly in May 2005,[21] including the need to support the Global Outbreak Alert and Response Network of the World Health Organization;

(*f*) Working actively to implement the "Three Ones" principles in all countries, including by ensuring that multiple institutions and international partners all work under one agreed HIV/AIDS framework that provides the basis for coordinating the work of all partners, with one national AIDS coordinating authority having a broad-based multisectoral mandate, and under one agreed country-level monitoring and evaluation system. We welcome and support the important recommendations of the Global Task Team on Improving AIDS Coordination among Multilateral Institutions and International Donors;

(*g*) Achieving universal access to reproductive health by 2015, as set out at the International Conference on Population and Development, integrating this goal in strategies to attain the internationally agreed development goals, including those contained in the Millennium Declaration, aimed at reducing maternal mortality, improving maternal health, reducing child mortality, promoting gender equality, combating HIV/AIDS and eradicating poverty;

(*h*) Promoting long-term funding, including public-private partnerships where appropriate, for academic and industrial research as well as for the development of new vaccines and microbicides, diagnostic kits, drugs and treatments to address major pandemics, tropical diseases and other diseases, such as avian flu and severe acute respiratory syndrome, and taking forward work on market incentives, where appropriate through such mechanisms as advance purchase commitments;

(*i*) Stressing the need to urgently address malaria and tuberculosis, in particular in the most affected countries, and welcoming the scaling up, in this regard, of bilateral and multilateral initiatives.

Gender equality and empowerment of women

58. We remain convinced that progress for women is progress for all. We reaffirm that the full and effective implementation of the goals and objectives of the Beijing Declaration and Platform for Action[22] and the outcome of the twenty-third special session of the General Assembly is an essential contribution to achieving the internationally agreed development goals, including those contained in the Millennium Declaration, and we resolve to promote gender equality and eliminate pervasive gender discrimination by:

(*a*) Eliminating gender inequalities in primary and secondary education by the earliest possible date and at all educational levels by 2015;

(*b*) Guaranteeing the free and equal right of women to own and inherit property and ensuring secure tenure of property and housing by women;

[21] World Health Assembly resolution 58.3.

[22] *Report of the Fourth World Conference on Women, Beijing, 4-15 September 1995* (United Nations publication, Sales No. E.96.IV.13), chap. I, resolution 1, annexes I and II.

(*c*) Ensuring equal access to reproductive health;

(*d*) Promoting women's equal access to labour markets, sustainable employment and adequate labour protection;

(*e*) Ensuring equal access of women to productive assets and resources, including land, credit and technology;

(*f*) Eliminating all forms of discrimination and violence against women and the girl child, including by ending impunity and by ensuring the protection of civilians, in particular women and the girl child, during and after armed conflicts in accordance with the obligations of States under international humanitarian law and international human rights law;

(*g*) Promoting increased representation of women in Government decision-making bodies, including through ensuring their equal opportunity to participate fully in the political process.

59. We recognize the importance of gender mainstreaming as a tool for achieving gender equality. To that end, we undertake to actively promote the mainstreaming of a gender perspective in the design, implementation, monitoring and evaluation of policies and programmes in all political, economic and social spheres, and further undertake to strengthen the capabilities of the United Nations system in the area of gender.

Science and technology for development

60. We recognize that science and technology, including information and communication technology, are vital for the achievement of the development goals and that international support can help developing countries to benefit from technological advancements and enhance their productive capacity. We therefore commit ourselves to:

(*a*) Strengthening and enhancing existing mechanisms and supporting initiatives for research and development, including through voluntary partnerships between the public and private sectors, to address the special needs of developing countries in the areas of health, agriculture, conservation, sustainable use of natural resources and environmental management, energy, forestry and the impact of climate change;

(*b*) Promoting and facilitating, as appropriate, access to and the development, transfer and diffusion of technologies, including environmentally sound technologies and corresponding know-how, to developing countries;

(*c*) Assisting developing countries in their efforts to promote and develop national strategies for human resources and science and technology, which are primary drivers of national capacity-building for development;

(*d*) Promoting and supporting greater efforts to develop renewable sources of energy, such as solar, wind and geothermal;

(*e*) Implementing policies at the national and international levels to attract both public and private investment, domestic and foreign, that enhances knowledge, transfers technology on mutually agreed terms and raises productivity;

(*f*) Supporting the efforts of developing countries, individually and collectively, to harness new agricultural technologies in order to increase agricultural productivity through environmentally sustainable means;

(*g*) Building a people-centred and inclusive information society so as to enhance digital opportunities for all people in order to help bridge the digital divide, putting the potential of information and communication technologies at the service of development and addressing new challenges of the information society by implementing the outcomes of the Geneva phase of the World Summit on the Information Society and ensuring the success of the second phase of the Summit, to be held in Tunis in November 2005; in this regard, we welcome the establishment of the Digital Solidarity Fund and encourage voluntary contributions to its financing.

Migration and development

61. We acknowledge the important nexus between international migration and development and the need to deal with the challenges and opportunities that migration presents to countries of origin, destination and transit. We recognize that international migration brings benefits as well as challenges to the global community. We look forward to the high-level dialogue of the General Assembly on international migration and development to be held in 2006, which will offer an opportunity to discuss the multidimensional aspects of international migration and development in order to identify appropriate ways and means to maximize their development benefits and minimize their negative impacts.

62. We reaffirm our resolve to take measures to ensure respect for and protection of the human rights of migrants, migrant workers and members of their families.

63. We reaffirm the need to adopt policies and undertake measures to reduce the cost of transferring migrant remittances to developing countries and welcome efforts by Governments and stakeholders in this regard.

Countries with special needs

64. We reaffirm our commitment to address the special needs of the least developed countries and urge all countries and all relevant organizations of the United Nations system, including the Bretton Woods institutions, to make concerted efforts and adopt speedy measures for meeting in a timely manner the goals and targets of the Brussels Programme of Action for the Least Developed Countries for the Decade 2001–2010.[4]

65. We recognize the special needs of and challenges faced by landlocked developing countries and therefore reaffirm our commitment to urgently address those needs and challenges through the full, timely and effective implementation of the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries[23] and the São Paulo Consensus adopted at the eleventh session of the United Nations Conference on Trade and Development.[24] We encourage the work undertaken by United Nations regional commissions and organizations towards establishing a time-cost methodology for indicators to measure the progress in implementation of the Almaty Programme of Action. We also recognize the special difficulties and concerns of landlocked developing countries in their efforts to integrate their economies into the

[23] *Report of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, Almaty, Kazakhstan, 28 and 29 August 2003* (A/CONF.202/3), annex I.

[24] TD/412, part II.

multilateral trading system. In this regard, priority should be given to the full and timely implementation of the Almaty Declaration[25] and the Almaty Programme of Action.[23]

66. We recognize the special needs and vulnerabilities of small island developing States and reaffirm our commitment to take urgent and concrete action to address those needs and vulnerabilities through the full and effective implementation of the Mauritius Strategy adopted by the International Meeting to Review the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States,[26] the Barbados Programme of Action[27] and the outcome of the twenty-second special session of the General Assembly.[28] We further undertake to promote greater international cooperation and partnership for the implementation of the Mauritius Strategy through, inter alia, the mobilization of domestic and international resources, the promotion of international trade as an engine for development and increased international financial and technical cooperation.

67. We emphasize the need for continued, coordinated and effective international support for achieving the development goals in countries emerging from conflict and in those recovering from natural disasters.

Meeting the special needs of Africa

68. We welcome the substantial progress made by the African countries in fulfilling their commitments and emphasize the need to carry forward the implementation of the New Partnership for Africa's Development[29] to promote sustainable growth and development and deepen democracy, human rights, good governance and sound economic management and gender equality and encourage African countries, with the participation of civil society and the private sector, to continue their efforts in this regard by developing and strengthening institutions for governance and the development of the region, and also welcome the recent decisions taken by Africa's partners, including the Group of Eight and the European Union, in support of Africa's development efforts, including commitments that will lead to an increase in official development assistance to Africa of 25 billion dollars per year by 2010. We reaffirm our commitment to address the special needs of Africa, which is the only continent not on track to meet any of the goals of the Millennium Declaration by 2015, to enable it to enter the mainstream of the world economy, and resolve:

(*a*) To strengthen cooperation with the New Partnership for Africa's Development by providing coherent support for the programmes drawn up by African leaders within that framework, including by mobilizing internal and

---

[25] *Report of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, Almaty, Kazakhstan, 28 and 29 August* 2003 (A/CONF.202/3), annex II.

[26] *Report of the International Meeting to Review the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States, Port Louis, Mauritius, 10-14 January 2005* (United Nations publication, Sales No. E.05.II.A.4 and corrigendum), chap. I, resolution 1, annex II.

[27] *Report of the Global Conference on the Sustainable Development of Small Island Developing States, Bridgetown, Barbados, 25 April-6 May 1994* (United Nations publication, Sales No. E.94.I.18 and corrigenda), chap. I, resolution 1, annex II.

[28] Resolution S-22/2, annex.

[29] A/57/304, annex.

external financial resources and facilitating approval of such programmes by the multilateral financial institutions;

(*b*) To support the African commitment to ensure that by 2015 all children have access to complete, free and compulsory primary education of good quality, as well as to basic health care;

(*c*) To support the building of an international infrastructure consortium involving the African Union, the World Bank and the African Development Bank, with the New Partnership for Africa's Development as the main framework, to facilitate public and private infrastructure investment in Africa;

(*d*) To promote a comprehensive and durable solution to the external debt problems of African countries, including through the cancellation of 100 per cent of multilateral debt consistent with the recent Group of Eight proposal for the heavily indebted poor countries, and, on a case-by-case basis, where appropriate, significant debt relief, including, inter alia, cancellation or restructuring for heavily indebted African countries not part of the Heavily Indebted Poor Countries Initiative that have unsustainable debt burdens;

(e) To make efforts to fully integrate African countries in the international trading system, including through targeted trade capacity-building programmes;

(*f*) To support the efforts of commodity-dependent African countries to restructure, diversify and strengthen the competitiveness of their commodity sectors and decide to work towards market-based arrangements with the participation of the private sector for commodity price-risk management;

(*g*) To supplement the efforts of African countries, individually and collectively, to increase agricultural productivity, in a sustainable way, as set out in the Comprehensive Africa Agriculture Development Programme of the New Partnership for Africa's Development as part of an African "Green Revolution";

(*h*) To encourage and support the initiatives of the African Union and subregional organizations to prevent, mediate and resolve conflicts with the assistance of the United Nations, and in this regard welcomes the proposals from the Group of Eight countries to provide support for African peacekeeping;

(*i*) To provide, with the aim of an AIDS-, malaria- and tuberculosis-free generation in Africa, assistance for prevention and care and to come as close as possible to achieving the goal of universal access by 2010 to HIV/AIDS treatment in African countries, to encourage pharmaceutical companies to make drugs, including antiretroviral drugs, affordable and accessible in Africa and to ensure increased bilateral and multilateral assistance, where possible on a grant basis, to combat malaria, tuberculosis and other infectious diseases in Africa through the strengthening of health systems.

III. Peace and collective security

69. We recognize that we are facing a whole range of threats that require our urgent, collective and more determined response.

70. We also recognize that, in accordance with the Charter, addressing such threats requires cooperation among all the principal organs of the United Nations within their respective mandates.

71. We acknowledge that we are living in an interdependent and global world and that many of today's threats recognize no national boundaries, are interlinked and

must be tackled at the global, regional and national levels in accordance with the Charter and international law.

72. We therefore reaffirm our commitment to work towards a security consensus based on the recognition that many threats are interlinked, that development, peace, security and human rights are mutually reinforcing, that no State can best protect itself by acting entirely alone and that all States need an effective and efficient collective security system pursuant to the purposes and principles of the Charter.

Pacific settlement of disputes

73. We emphasize the obligation of States to settle their disputes by peaceful means in accordance with Chapter VI of the Charter, including, when appropriate, by the use of the International Court of Justice. All States should act in accordance with the Declaration on Principles of International Law concerning Friendly Relations and Cooperation among States in accordance with the Charter of the United Nations.[30]

74. We stress the importance of prevention of armed conflict in accordance with the purposes and principles of the Charter and solemnly renew our commitment to promote a culture of prevention of armed conflict as a means of effectively addressing the interconnected security and development challenges faced by peoples throughout the world, as well as to strengthen the capacity of the United Nations for the prevention of armed conflict.

75. We further stress the importance of a coherent and integrated approach to the prevention of armed conflicts and the settlement of disputes and the need for the Security Council, the General Assembly, the Economic and Social Council and the Secretary-General to coordinate their activities within their respective Charter mandates.

76. Recognizing the important role of the good offices of the Secretary-General, including in the mediation of disputes, we support the Secretary-General's efforts to strengthen his capacity in this area.

Use of force under the Charter of the United Nations

77. We reiterate the obligation of all Member States to refrain in their international relations from the threat or use of force in any manner inconsistent with the Charter. We reaffirm that the purposes and principles guiding the United Nations are, inter alia, to maintain international peace and security, to develop friendly relations among nations based on respect for the principles of equal rights and self-determination of peoples and to take other appropriate measures to strengthen universal peace, and to that end we are determined to take effective collective measures for the prevention and removal of threats to the peace and for the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means, in conformity with the principles of justice and international law, the adjustment or settlement of international disputes or situations that might lead to a breach of the peace.

78. We reiterate the importance of promoting and strengthening the multilateral process and of addressing international challenges and problems by strictly abiding

[30] Resolution 2625 (XXV), annex.

by the Charter and the principles of international law, and further stress our commitment to multilateralism.

79. We reaffirm that the relevant provisions of the Charter are sufficient to address the full range of threats to international peace and security. We further reaffirm the authority of the Security Council to mandate coercive action to maintain and restore international peace and security. We stress the importance of acting in accordance with the purposes and principles of the Charter.

80. We also reaffirm that the Security Council has primary responsibility in the maintenance of international peace and security. We also note the role of the General Assembly relating to the maintenance of international peace and security in accordance with the relevant provisions of the Charter.

Terrorism

81. We strongly condemn terrorism in all its forms and manifestations, committed by whomever, wherever and for whatever purposes, as it constitutes one of the most serious threats to international peace and security.

82. We welcome the Secretary-General's identification of elements of a counter-terrorism strategy. These elements should be developed by the General Assembly without delay with a view to adopting and implementing a strategy to promote comprehensive, coordinated and consistent responses, at the national, regional and international levels, to counter terrorism, which also takes into account the conditions conducive to the spread of terrorism. In this context, we commend the various initiatives to promote dialogue, tolerance and understanding among civilizations.

83. We stress the need to make every effort to reach an agreement on and conclude a comprehensive convention on international terrorism during the sixtieth session of the General Assembly.

84. We acknowledge that the question of convening a high-level conference under the auspices of the United Nations to formulate an international response to terrorism in all its forms and manifestations could be considered.

85. We recognize that international cooperation to fight terrorism must be conducted in conformity with international law, including the Charter and relevant international conventions and protocols. States must ensure that any measures taken to combat terrorism comply with their obligations under international law, in particular human rights law, refugee law and international humanitarian law.

86. We reiterate our call upon States to refrain from organizing, financing, encouraging, providing training for or otherwise supporting terrorist activities and to take appropriate measures to ensure that their territories are not used for such activities.

87. We acknowledge the important role played by the United Nations in combating terrorism and also stress the vital contribution of regional and bilateral cooperation, particularly at the practical level of law enforcement cooperation and technical exchange.

88. We urge the international community, including the United Nations, to assist States in building national and regional capacity to combat terrorism. We invite the Secretary-General to submit proposals to the General Assembly and the Security Council, within their respective mandates, to strengthen the capacity of the United

Nations system to assist States in combating terrorism and to enhance the coordination of United Nations activities in this regard.

89. We stress the importance of assisting victims of terrorism and of providing them and their families with support to cope with their loss and their grief.

90. We encourage the Security Council to consider ways to strengthen its monitoring and enforcement role in counter-terrorism, including by consolidating State reporting requirements, taking into account and respecting the different mandates of its counter-terrorism subsidiary bodies. We are committed to cooperating fully with the three competent subsidiary bodies in the fulfilment of their tasks, recognizing that many States continue to require assistance in implementing relevant Security Council resolutions.

91. We support efforts for the early entry into force of the International Convention for the Suppression of Acts of Nuclear Terrorism [31] and strongly encourage States to consider becoming parties to it expeditiously and acceding without delay to the twelve other international conventions and protocols against terrorism and implementing them.

Peacekeeping

92. Recognizing that United Nations peacekeeping plays a vital role in helping parties to conflict end hostilities and commending the contribution of United Nations peacekeepers in that regard, noting improvements made in recent years in United Nations peacekeeping, including the deployment of integrated missions in complex situations, and stressing the need to mount operations with adequate capacity to counter hostilities and fulfil effectively their mandates, we urge further development of proposals for enhanced rapidly deployable capacities to reinforce peacekeeping operations in crises. We endorse the creation of an initial operating capability for a standing police capacity to provide coherent, effective and responsive start-up capability for the policing component of the United Nations peacekeeping missions and to assist existing missions through the provision of advice and expertise.

93. Recognizing the important contribution to peace and security by regional organizations as provided for under Chapter VIII of the Charter and the importance of forging predictable partnerships and arrangements between the United Nations and regional organizations, and noting in particular, given the special needs of Africa, the importance of a strong African Union:

(*a*) We support the efforts of the European Union and other regional entities to develop capacities such as for rapid deployment, standby and bridging arrangements;

(*b*) We support the development and implementation of a ten-year plan for capacity-building with the African Union.

[31] Resolution 59/290, annex.

94. We support implementation of the 2001 Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects.[32]

95. We urge States parties to the Anti-Personnel Mine Ban Convention[33] and Amended Protocol II to the Convention on Certain Conventional Weapons[34] to fully implement their respective obligations. We call upon States in a position to do so to provide greater technical assistance to mine-affected States.

96. We underscore the importance of the recommendations of the Adviser to the Secretary-General on Sexual Exploitation and Abuse by United Nations Peacekeeping Personnel,[35] and urge that those measures adopted in the relevant General Assembly resolutions based upon the recommendations be fully implemented without delay.

Peacebuilding

97. Emphasizing the need for a coordinated, coherent and integrated approach to post-conflict peacebuilding and reconciliation with a view to achieving sustainable peace, recognizing the need for a dedicated institutional mechanism to address the special needs of countries emerging from conflict towards recovery, reintegration and reconstruction and to assist them in laying the foundation for sustainable development, and recognizing the vital role of the United Nations in that regard, we decide to establish a Peacebuilding Commission as an intergovernmental advisory body.

98. The main purpose of the Peacebuilding Commission is to bring together all relevant actors to marshal resources and to advise on and propose integrated strategies for post-conflict peacebuilding and recovery. The Commission should focus attention on the reconstruction and institution-building efforts necessary for recovery from conflict and support the development of integrated strategies in order to lay the foundation for sustainable development. In addition, it should provide recommendations and information to improve the coordination of all relevant actors within and outside the United Nations, develop best practices, help to ensure predictable financing for early recovery activities and extend the period of attention by the international community to post-conflict recovery. The Commission should act in all matters on the basis of consensus of its members.

99. The Peacebuilding Commission should make the outcome of its discussions and recommendations publicly available as United Nations documents to all relevant bodies and actors, including the international financial institutions. The Peacebuilding Commission should submit an annual report to the General Assembly.

100. The Peacebuilding Commission should meet in various configurations. Country-specific meetings of the Commission, upon invitation of the Organizational

---

[32] See *Report of the United Nations Conference on the Illicit Trade in Small Arms and Light Weapons in All Its Aspects, New York, 9-20 July 2001* (A/CONF.192/15), chap. IV, para. 24.

[33] Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-personnel Mines and on Their Destruction (United Nations, *Treaty Series*, vol. 2056, No. 35597).

[34] Amended Protocol II to the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects (CCW/CONF.I/16 (Part I), annex B).

[35] A/59/710, paras. 68-93.

Committee referred to in paragraph 101 below, should include as members, in addition to members of the Organizational Committee, representatives from:

(*a*) The country under consideration;

(*b*) Countries in the region engaged in the post-conflict process and other countries that are involved in relief efforts and/or political dialogue, as well as relevant regional and subregional organizations;

(*c*) The major financial, troop and civilian police contributors involved in the recovery effort;

(*d*) The senior United Nations representative in the field and other relevant United Nations representatives;

(*e*) Such regional and international financial institutions as may be relevant.

101. The Peacebuilding Commission should have a standing Organizational Committee, responsible for developing its procedures and organizational matters, comprising:

(*a*) Members of the Security Council, including permanent members;

(*b*) Members of the Economic and Social Council, elected from regional groups, giving due consideration to those countries that have experienced post-conflict recovery;

(*c*) Top providers of assessed contributions to the United Nations budgets and voluntary contributions to the United Nations funds, programmes and agencies, including the standing Peacebuilding Fund, that are not among those selected in (*a*) or (*b*) above;

(*d*) Top providers of military personnel and civilian police to United Nations missions that are not among those selected in (*a*), (*b*) or (*c*) above.

102. Representatives from the World Bank, the International Monetary Fund and other institutional donors should be invited to participate in all meetings of the Peacebuilding Commission in a manner suitable to their governing arrangements, in addition to a representative of the Secretary-General.

103. We request the Secretary-General to establish a multi-year standing Peacebuilding Fund for post-conflict peacebuilding, funded by voluntary contributions and taking due account of existing instruments. The objectives of the Peacebuilding Fund will include ensuring the immediate release of resources needed to launch peacebuilding activities and the availability of appropriate financing for recovery.

104. We also request the Secretary-General to establish, within the Secretariat and from within existing resources, a small peacebuilding support office staffed by qualified experts to assist and support the Peacebuilding Commission. The office should draw on the best expertise available.

105. The Peacebuilding Commission should begin its work no later than 31 December 2005.

Sanctions

106. We underscore that sanctions remain an important tool under the Charter in our efforts to maintain international peace and security without recourse to the use of force, and resolve to ensure that sanctions are carefully targeted in support of clear

objectives, to comply with sanctions established by the Security Council and to ensure that sanctions are implemented in ways that balance effectiveness to achieve the desired results against the possible adverse consequences, including socio-economic and humanitarian consequences, for populations and third States.

107. Sanctions should be implemented and monitored effectively with clear benchmarks and should be periodically reviewed, as appropriate, and remain for as limited a period as necessary to achieve their objectives and should be terminated once the objectives have been achieved.

108. We call upon the Security Council, with the support of the Secretary-General, to improve its monitoring of the implementation and effects of sanctions, to ensure that sanctions are implemented in an accountable manner, to review regularly the results of such monitoring and to develop a mechanism to address special economic problems arising from the application of sanctions in accordance with the Charter.

109. We also call upon the Security Council, with the support of the Secretary-General, to ensure that fair and clear procedures exist for placing individuals and entities on sanctions lists and for removing them, as well as for granting humanitarian exemptions.

110. We support efforts through the United Nations to strengthen State capacity to implement sanctions provisions.

Transnational crime

111. We express our grave concern at the negative effects on development, peace and security and human rights posed by transnational crime, including the smuggling of and trafficking in human beings, the world narcotic drug problem and the illicit trade in small arms and light weapons, and at the increasing vulnerability of States to such crime. We reaffirm the need to work collectively to combat transnational crime.

112. We recognize that trafficking in persons continues to pose a serious challenge to humanity and requires a concerted international response. To that end, we urge all States to devise, enforce and strengthen effective measures to combat and eliminate all forms of trafficking in persons to counter the demand for trafficked victims and to protect the victims.

113. We urge all States that have not yet done so to consider becoming parties to the relevant international conventions on organized crime and corruption and, following their entry into force, to implement them effectively, including by incorporating the provisions of those conventions into national legislation and by strengthening criminal justice systems.

114. We reaffirm our unwavering determination and commitment to overcome the world narcotic drug problem through international cooperation and national strategies to eliminate both the illicit supply of and demand for illicit drugs.

115. We resolve to strengthen the capacity of the United Nations Office on Drugs and Crime, within its existing mandates, to provide assistance to Member States in those tasks upon request.

Women in the prevention and resolution of conflicts

116. We stress the important role of women in the prevention and resolution of conflicts and in peacebuilding. We reaffirm our commitment to the full and effective implementation of Security Council resolution 1325 (2000) of 31 October 2000 on

women and peace and security. We also underline the importance of integrating a gender perspective and of women having the opportunity for equal participation and full involvement in all efforts to maintain and promote peace and security, as well as the need to increase their role in decision-making at all levels. We strongly condemn all violations of the human rights of women and girls in situations of armed conflict and the use of sexual exploitation, violence and abuse, and we commit ourselves to elaborating and implementing strategies to report on, prevent and punish gender-based violence.

Protecting children in situations of armed conflict

117. We reaffirm our commitment to promote and protect the rights and welfare of children in armed conflicts. We welcome the significant advances and innovations that have been achieved over the past several years. We welcome in particular the adoption of Security Council resolution 1612 (2005) of 26 July 2005. We call upon States to consider ratifying the Convention on the Rights of the Child[36] and the Optional Protocol to the Convention on the Rights of the Child on the involvement of children in armed conflict.[37] We also call upon States to take effective measures, as appropriate, to prevent the recruitment and use of children in armed conflict, contrary to international law, by armed forces and groups, and to prohibit and criminalize such practices.

118. We therefore call upon all States concerned to take concrete measures to ensure accountability and compliance by those responsible for grave abuses against children. We also reaffirm our commitment to ensure that children in armed conflicts receive timely and effective humanitarian assistance, including education, for their rehabilitation and reintegration into society.

IV. Human rights and the rule of law

119. We recommit ourselves to actively protecting and promoting all human rights, the rule of law and democracy and recognize that they are interlinked and mutually reinforcing and that they belong to the universal and indivisible core values and principles of the United Nations, and call upon all parts of the United Nations to promote human rights and fundamental freedoms in accordance with their mandates.

120. We reaffirm the solemn commitment of our States to fulfil their obligations to promote universal respect for and the observance and protection of all human rights and fundamental freedoms for all in accordance with the Charter, the Universal Declaration of Human Rights[38] and other instruments relating to human rights and international law. The universal nature of these rights and freedoms is beyond question.

Human rights

121. We reaffirm that all human rights are universal, indivisible, interrelated, interdependent and mutually reinforcing and that all human rights must be treated in a fair and equal manner, on the same footing and with the same emphasis. While the significance of national and regional particularities and various historical, cultural and religious backgrounds must be borne in mind, all States, regardless of their

[36] United Nations, *Treaty Series*, vol. 1577, No. 27531.

[37] Resolution 54/263, annex I.

[38] Resolution 217 A (III).

political, economic and cultural systems, have the duty to promote and protect all human rights and fundamental freedoms.

122. We emphasize the responsibilities of all States, in conformity with the Charter, to respect human rights and fundamental freedoms for all, without distinction of any kind as to race, colour, sex, language or religion, political or other opinion, national or social origin, property, birth or other status.

123. We resolve further to strengthen the United Nations human rights machinery with the aim of ensuring effective enjoyment by all of all human rights and civil, political, economic, social and cultural rights, including the right to development.

124. We resolve to strengthen the Office of the United Nations High Commissioner for Human Rights, taking note of the High Commissioner's plan of action, to enable it to effectively carry out its mandate to respond to the broad range of human rights challenges facing the international community, particularly in the areas of technical assistance and capacity-building, through the doubling of its regular budget resources over the next five years with a view to progressively setting a balance between regular budget and voluntary contributions to its resources, keeping in mind other priority programmes for developing countries and the recruitment of highly competent staff on a broad geographical basis and with gender balance, under the regular budget, and we support its closer cooperation with all relevant United Nations bodies, including the General Assembly, the Economic and Social Council and the Security Council.

125. We resolve to improve the effectiveness of the human rights treaty bodies, including through more timely reporting, improved and streamlined reporting procedures and technical assistance to States to enhance their reporting capacities and further enhance the implementation of their recommendations.

126. We resolve to integrate the promotion and protection of human rights into national policies and to support the further mainstreaming of human rights throughout the United Nations system, as well as closer cooperation between the Office of the United Nations High Commissioner for Human Rights and all relevant United Nations bodies.

127. We reaffirm our commitment to continue making progress in the advancement of the human rights of the world's indigenous peoples at the local, national, regional and international levels, including through consultation and collaboration with them, and to present for adoption a final draft United Nations declaration on the rights of indigenous peoples as soon as possible.

128. We recognize the need to pay special attention to the human rights of women and children and undertake to advance them in every possible way, including by bringing gender and child-protection perspectives into the human rights agenda.

129. We recognize the need for persons with disabilities to be guaranteed full enjoyment of their rights without discrimination. We also affirm the need to finalize a comprehensive draft convention on the rights of persons with disabilities.

130. We note that the promotion and protection of the rights of persons belonging to national or ethnic, religious and linguistic minorities contribute to political and social stability and peace and enrich the cultural diversity and heritage of society.

131. We support the promotion of human rights education and learning at all levels, including through the implementation of the World Programme for Human Rights Education, as appropriate, and encourage all States to develop initiatives in this regard.

Internally displaced persons

132. We recognize the Guiding Principles on Internal Displacement [39] as an important international framework for the protection of internally displaced persons and resolve to take effective measures to increase the protection of internally displaced persons.

Refugee protection and assistance

133. We commit ourselves to safeguarding the principle of refugee protection and to upholding our responsibility in resolving the plight of refugees, including through the support of efforts aimed at addressing the causes of refugee movement, bringing about the safe and sustainable return of those populations, finding durable solutions for refugees in protracted situations and preventing refugee movement from becoming a source of tension among States. We reaffirm the principle of solidarity and burden-sharing and resolve to support nations in assisting refugee populations and their host communities.

Rule of law

134. Recognizing the need for universal adherence to and implementation of the rule of law at both the national and international levels, we:

(*a*) Reaffirm our commitment to the purposes and principles of the Charter and international law and to an international order based on the rule of law and international law, which is essential for peaceful coexistence and cooperation among States;

(*b*) Support the annual treaty event;

(*c*) Encourage States that have not yet done so to consider becoming parties to all treaties that relate to the protection of civilians;

(*d*) Call upon States to continue their efforts to eradicate policies and practices that discriminate against women and to adopt laws and promote practices that protect the rights of women and promote gender equality;

(*e*) Support the idea of establishing a rule of law assistance unit within the Secretariat, in accordance with existing relevant procedures, subject to a report by the Secretary-General to the General Assembly, so as to strengthen United Nations activities to promote the rule of law, including through technical assistance and capacity-building;

(*f*) Recognize the important role of the International Court of Justice, the principal judicial organ of the United Nations, in adjudicating disputes among States and the value of its work, call upon States that have not yet done so to consider accepting the jurisdiction of the Court in accordance with its Statute and consider means of strengthening the Court's work, including by supporting the Secretary-General's Trust Fund to Assist States in the Settlement of Disputes through the International Court of Justice on a voluntary basis.

[39] E/CN.4/1998/53/Add.2, annex.

Democracy

135. We reaffirm that democracy is a universal value based on the freely expressed will of people to determine their own political, economic, social and cultural systems and their full participation in all aspects of their lives. We also reaffirm that while democracies share common features, there is no single model of democracy, that it does not belong to any country or region, and reaffirm the necessity of due respect for sovereignty and the right of self-determination. We stress that democracy, development and respect for all human rights and fundamental freedoms are interdependent and mutually reinforcing.

136. We renew our commitment to support democracy by strengthening countries' capacity to implement the principles and practices of democracy and resolve to strengthen the capacity of the United Nations to assist Member States upon their request. We welcome the establishment of a Democracy Fund at the United Nations. We note that the advisory board to be established should reflect diverse geographical representation. We invite the Secretary-General to help to ensure that practical arrangements for the Democracy Fund take proper account of existing United Nations activity in this field.

137. We invite interested Member States to give serious consideration to contributing to the Fund.

Responsibility to protect populations from genocide, war crimes, ethnic cleansing and crimes against humanity

138. Each individual State has the responsibility to protect its populations from genocide, war crimes, ethnic cleansing and crimes against humanity. This responsibility entails the prevention of such crimes, including their incitement, through appropriate and necessary means. We accept that responsibility and will act in accordance with it. The international community should, as appropriate, encourage and help States to exercise this responsibility and support the United Nations in establishing an early warning capability.

139. The international community, through the United Nations, also has the responsibility to use appropriate diplomatic, humanitarian and other peaceful means, in accordance with Chapters VI and VIII of the Charter, to help to protect populations from genocide, war crimes, ethnic cleansing and crimes against humanity. In this context, we are prepared to take collective action, in a timely and decisive manner, through the Security Council, in accordance with the Charter, including Chapter VII, on a case-by-case basis and in cooperation with relevant regional organizations as appropriate, should peaceful means be inadequate and national authorities are manifestly failing to protect their populations from genocide, war crimes, ethnic cleansing and crimes against humanity. We stress the need for the General Assembly to continue consideration of the responsibility to protect populations from genocide, war crimes, ethnic cleansing and crimes against humanity and its implications, bearing in mind the principles of the Charter and international law. We also intend to commit ourselves, as necessary and appropriate, to helping States build capacity to protect their populations from genocide, war crimes, ethnic cleansing and crimes against humanity and to assisting those which are under stress before crises and conflicts break out.

140. We fully support the mission of the Special Adviser of the Secretary-General on the Prevention of Genocide.

Children's rights

141. We express dismay at the increasing number of children involved in and affected by armed conflict, as well as all other forms of violence, including domestic violence, sexual abuse and exploitation and trafficking. We support cooperation policies aimed at strengthening national capacities to improve the situation of those children and to assist in their rehabilitation and reintegration into society.

142. We commit ourselves to respecting and ensuring the rights of each child without discrimination of any kind, irrespective of the race, colour, sex, language, religion, political or other opinion, national, ethnic or social origin, property, disability, birth or other status of the child or his or her parent(s) or legal guardian(s). We call upon States to consider as a priority becoming a party to the Convention on the Rights of the Child.[36]

Human security

143. We stress the right of people to live in freedom and dignity, free from poverty and despair. We recognize that all individuals, in particular vulnerable people, are entitled to freedom from fear and freedom from want, with an equal opportunity to enjoy all their rights and fully develop their human potential. To this end, we commit ourselves to discussing and defining the notion of human security in the General Assembly.

Culture of peace and initiatives on dialogue among cultures, civilizations and religions

144. We reaffirm the Declaration and Programme of Action on a Culture of Peace[40] as well as the Global Agenda for Dialogue among Civilizations and its Programme of Action[41] adopted by the General Assembly and the value of different initiatives on dialogue among cultures and civilizations, including the dialogue on interfaith cooperation. We commit ourselves to taking action to promote a culture of peace and dialogue at the local, national, regional and international levels and request the Secretary-General to explore enhancing implementation mechanisms and to follow up on those initiatives. In this regard, we also welcome the Alliance of Civilizations initiative announced by the Secretary-General on 14 July 2005.

145. We underline that sports can foster peace and development and can contribute to an atmosphere of tolerance and understanding, and we encourage discussions in the General Assembly for proposals leading to a plan of action on sport and development.

V. Strengthening the United Nations

146. We reaffirm our commitment to strengthen the United Nations with a view to enhancing its authority and efficiency, as well as its capacity to address effectively, and in accordance with the purposes and principles of the Charter, the full range of challenges of our time. We are determined to reinvigorate the intergovernmental organs of the United Nations and to adapt them to the needs of the twenty-first century.

---

[40] Resolutions 53/243 A and B.

[41] See resolution 56/6.

147. We stress that, in order to efficiently perform their respective mandates as provided under the Charter, United Nations bodies should develop good cooperation and coordination in the common endeavour of building a more effective United Nations.

148. We emphasize the need to provide the United Nations with adequate and timely resources with a view to enabling it to carry out its mandates. A reformed United Nations must be responsive to the entire membership, faithful to its founding principles and adapted to carrying out its mandate.

General Assembly

149. We reaffirm the central position of the General Assembly as the chief deliberative, policymaking and representative organ of the United Nations, as well as the role of the Assembly in the process of standard-setting and the codification of international law.

150. We welcome the measures adopted by the General Assembly with a view to strengthening its role and authority and the role and leadership of the President of the Assembly and, to that end, we call for their full and speedy implementation.

151. We call for strengthening the relationship between the General Assembly and the other principal organs to ensure better coordination on topical issues that require coordinated action by the United Nations, in accordance with their respective mandates.

Security Council

152. We reaffirm that Member States have conferred on the Security Council primary responsibility for the maintenance of international peace and security, acting on their behalf, as provided for by the Charter.

153. We support early reform of the Security Council - an essential element of our overall effort to reform the United Nations - in order to make it more broadly representative, efficient and transparent and thus to further enhance its effectiveness and the legitimacy and implementation of its decisions. We commit ourselves to continuing our efforts to achieve a decision to this end and request the General Assembly to review progress on the reform set out above by the end of 2005.

154. We recommend that the Security Council continue to adapt its working methods so as to increase the involvement of States not members of the Council in its work, as appropriate, enhance its accountability to the membership and increase the transparency of its work.

Economic and Social Council

155. We reaffirm the role that the Charter and the General Assembly have vested in the Economic and Social Council and recognize the need for a more effective Economic and Social Council as a principal body for coordination, policy review, policy dialogue and recommendations on issues of economic and social development, as well as for implementation of the international development goals agreed at the major United Nations conferences and summits, including the Millennium Development Goals. To achieve these objectives, the Council should:

(*a*) Promote global dialogue and partnership on global policies and trends in the economic, social, environmental and humanitarian fields. For this purpose, the Council should serve as a quality platform for high-level engagement among

Member States and with the international financial institutions, the private sector and civil society on emerging global trends, policies and action and develop its ability to respond better and more rapidly to developments in the international economic, environmental and social fields;

(*b*) Hold a biennial high-level Development Cooperation Forum to review trends in international development cooperation, including strategies, policies and financing, promote greater coherence among the development activities of different development partners and strengthen the links between the normative and operational work of the United Nations;

(*c*) Ensure follow-up of the outcomes of the major United Nations conferences and summits, including the internationally agreed development goals, and hold annual ministerial-level substantive reviews to assess progress, drawing on its functional and regional commissions and other international institutions, in accordance with their respective mandates;

(*d*) Support and complement international efforts aimed at addressing humanitarian emergencies, including natural disasters, in order to promote an improved, coordinated response from the United Nations;

(*e*) Play a major role in the overall coordination of funds, programmes and agencies, ensuring coherence among them and avoiding duplication of mandates and activities.

156. We stress that in order to fully perform the above functions, the organization of work, the agenda and the current methods of work of the Economic and Social Council should be adapted.

Human Rights Council

157. Pursuant to our commitment to further strengthen the United Nations human rights machinery, we resolve to create a Human Rights Council.

158. The Council will be responsible for promoting universal respect for the protection of all human rights and fundamental freedoms for all, without distinction of any kind and in a fair and equal manner.

159. The Council should address situations of violations of human rights, including gross and systematic violations, and make recommendations thereon. It should also promote effective coordination and the mainstreaming of human rights within the United Nations system.

160. We request the President of the General Assembly to conduct open, transparent and inclusive negotiations, to be completed as soon as possible during the sixtieth session, with the aim of establishing the mandate, modalities, functions, size, composition, membership, working methods and procedures of the Council.

Secretariat and management reform

161. We recognize that in order to effectively comply with the principles and objectives of the Charter, we need an efficient, effective and accountable Secretariat. Its staff shall act in accordance with Article 100 of the Charter, in a culture of organizational accountability, transparency and integrity. Consequently we:

(*a*) Recognize the ongoing reform measures carried out by the Secretary-General to strengthen accountability and oversight, improve management

performance and transparency and reinforce ethical conduct, and invite him to report to the General Assembly on the progress made in their implementation;

(*b*) Emphasize the importance of establishing effective and efficient mechanisms for responsibility and accountability of the Secretariat;

(*c*) Urge the Secretary-General to ensure that the highest standards of efficiency, competence, and integrity shall be the paramount consideration in the employment of the staff, with due regard to the principle of equitable geographical distribution, in accordance with Article 101 of the Charter;

(*d*) Welcome the Secretary-General's efforts to ensure ethical conduct, more extensive financial disclosure for United Nations officials and enhanced protection for those who reveal wrongdoing within the Organization. We urge the Secretary-General to scrupulously apply the existing standards of conduct and develop a system-wide code of ethics for all United Nations personnel. In this regard, we request the Secretary-General to submit details on an ethics office with independent status, which he intends to create, to the General Assembly at its sixtieth session;

(*e*) Pledge to provide the United Nations with adequate resources, on a timely basis, to enable the Organization to implement its mandates and achieve its objectives, having regard to the priorities agreed by the General Assembly and the need to respect budget discipline. We stress that all Member States should meet their obligations with regard to the expenses of the Organization;

(*f*) Strongly urge the Secretary-General to make the best and most efficient use of resources in accordance with clear rules and procedures agreed by the General Assembly, in the interest of all Member States, by adopting the best management practices, including effective use of information and communication technologies, with a view to increasing efficiency and enhancing organizational capacity, concentrating on those tasks that reflect the agreed priorities of the Organization.

162. We reaffirm the role of the Secretary-General as the chief administrative officer of the Organization, in accordance with Article 97 of the Charter. We request the Secretary-General to make proposals to the General Assembly for its consideration on the conditions and measures necessary for him to carry out his managerial responsibilities effectively.

163. We commend the Secretary-General's previous and ongoing efforts to enhance the effective management of the United Nations and his commitment to update the Organization. Bearing in mind our responsibility as Member States, we emphasize the need to decide on additional reforms in order to make more efficient use of the financial and human resources available to the Organization and thus better comply with its principles, objectives and mandates. We call on the Secretary-General to submit proposals for implementing management reforms to the General Assembly for consideration and decision in the first quarter of 2006, which will include the following elements:

(*a*) We will ensure that the United Nations budgetary, financial and human resource policies, regulations and rules respond to the current needs of the Organization and enable the efficient and effective conduct of its work, and request the Secretary-General to provide an assessment and recommendations to the General Assembly for decision during the first quarter of 2006. The assessment and recommendations of the Secretary-General should take account of the measures already under way for the reform of human resources management and the budget process;

(*b*) We resolve to strengthen and update the programme of work of the United Nations so that it responds to the contemporary requirements of Member States. To this end, the General Assembly and other relevant organs will review all mandates older than five years originating from resolutions of the General Assembly and other organs, which would be complementary to the existing periodic reviews of activities. The General Assembly and the other organs should complete and take the necessary decisions arising from this review during 2006. We request the Secretary-General to facilitate this review with analysis and recommendations, including on the opportunities for programmatic shifts that could be considered for early General Assembly consideration;

(*c*) A detailed proposal on the framework for a one-time staff buyout to improve personnel structure and quality, including an indication of costs involved and mechanisms to ensure that it achieves its intended purpose.

164. We recognize the urgent need to substantially improve the United Nations oversight and management processes. We emphasize the importance of ensuring the operational independence of the Office of Internal Oversight Services. Therefore:

(*a*) The expertise, capacity and resources of the Office of Internal Oversight Services in respect of audit and investigations will be significantly strengthened as a matter of urgency;

(*b*) We request the Secretary-General to submit an independent external evaluation of the auditing and oversight system of the United Nations, including the specialized agencies, including the roles and responsibilities of management, with due regard to the nature of the auditing and oversight bodies in question. This evaluation will take place within the context of the comprehensive review of the governance arrangements. We ask the General Assembly to adopt measures during its sixtieth session at the earliest possible stage, based on the consideration of recommendations of the evaluation and those made by the Secretary-General;

(*c*) We recognize that additional measures are needed to enhance the independence of the oversight structures. We therefore request the Secretary-General to submit detailed proposals to the General Assembly at its sixtieth session for its early consideration on the creation of an independent oversight advisory committee, including its mandate, composition, selection process and qualification of experts;

(*d*) We authorize the Office of Internal Oversight Services to examine the feasibility of expanding its services to provide internal oversight to United Nations agencies that request such services in such a way as to ensure that the provision of internal oversight services to the Secretariat will not be compromised.

165. We insist on the highest standards of behaviour from all United Nations personnel and support the considerable efforts under way with respect to the implementation of the Secretary-General's policy of zero tolerance regarding sexual exploitation and abuse by United Nations personnel, both at Headquarters and in the field. We encourage the Secretary-General to submit proposals to the General Assembly leading to a comprehensive approach to victims' assistance by 31 December 2005.

166. We encourage the Secretary-General and all decision-making bodies to take further steps in mainstreaming a gender perspective in the policies and decisions of the Organization.

167. We strongly condemn all attacks against the safety and security of personnel engaged in United Nations activities. We call upon States to consider becoming parties to the Convention on the Safety of United Nations and Associated Personnel[42] and stress the need to conclude negotiations on a protocol expanding the scope of legal protection during the sixtieth session of the General Assembly.

System-wide coherence

168. We recognize that the United Nations brings together a unique wealth of expertise and resources on global issues. We commend the extensive experience and expertise of the various development-related organizations, agencies, funds and programmes of the United Nations system in their diverse and complementary fields of activity and their important contributions to the achievement of the Millennium Development Goals and the other development objectives established by various United Nations conferences.

169. We support stronger system-wide coherence by implementing the following measures:

Policy

- Strengthening linkages between the normative work of the United Nations system and its operational activities
- Coordinating our representation on the governing boards of the various development and humanitarian agencies so as to ensure that they pursue a coherent policy in assigning mandates and allocating resources throughout the system
- Ensuring that the main horizontal policy themes, such as sustainable development, human rights and gender, are taken into account in decision-making throughout the United Nations

Operational activities

- Implementing current reforms aimed at a more effective, efficient, coherent, coordinated and better-performing United Nations country presence with a strengthened role for the senior resident official, whether special representative, resident coordinator or humanitarian coordinator, including appropriate authority, resources and accountability, and a common management, programming and monitoring framework
- Inviting the Secretary-General to launch work to further strengthen the management and coordination of United Nations operational activities so that they can make an even more effective contribution to the achievement of the internationally agreed development goals, including the Millennium Development Goals, including proposals for consideration by Member States for more tightly managed entities in the fields of development, humanitarian assistance and the environment

[42] United Nations, *Treaty Series*, vol. 2051, No. 35457.

Humanitarian assistance

- Upholding and respecting the humanitarian principles of humanity, neutrality, impartiality and independence and ensuring that humanitarian actors have safe and unhindered access to populations in need in conformity with the relevant provisions of international law and national laws
- Supporting the efforts of countries, in particular developing countries, to strengthen their capacities at all levels in order to prepare for and respond rapidly to natural disasters and mitigate their impact
- Strengthening the effectiveness of the United Nations humanitarian response, inter alia, by improving the timeliness and predictability of humanitarian funding, in part by improving the Central Emergency Revolving Fund
- Further developing and improving, as required, mechanisms for the use of emergency standby capacities, under the auspices of the United Nations, for a timely response to humanitarian emergencies

Environmental activities

- Recognizing the need for more efficient environmental activities in the United Nations system, with enhanced coordination, improved policy advice and guidance, strengthened scientific knowledge, assessment and cooperation, better treaty compliance, while respecting the legal autonomy of the treaties, and better integration of environmental activities in the broader sustainable development framework at the operational level, including through capacity-building, we agree to explore the possibility of a more coherent institutional framework to address this need, including a more integrated structure, building on existing institutions and internationally agreed instruments, as well as the treaty bodies and the specialized agencies

Regional organizations

170. We support a stronger relationship between the United Nations and regional and subregional organizations, pursuant to Chapter VIII of the Charter, and therefore resolve:

(*a*) To expand consultation and cooperation between the United Nations and regional and subregional organizations through formalized agreements between the respective secretariats and, as appropriate, involvement of regional organizations in the work of the Security Council;

(*b*) To ensure that regional organizations that have a capacity for the prevention of armed conflict or peacekeeping consider the option of placing such capacity in the framework of the United Nations Standby Arrangements System;

(*c*) To strengthen cooperation in the economic, social and cultural fields.

Cooperation between the United Nations and parliaments

171. We call for strengthened cooperation between the United Nations and national and regional parliaments, in particular through the Inter-Parliamentary Union, with a view to furthering all aspects of the Millennium Declaration in all fields of the work of the United Nations and ensuring the effective implementation of United Nations reform.

Participation of local authorities, the private sector and civil society, including non-governmental organizations

172. We welcome the positive contributions of the private sector and civil society, including non-governmental organizations, in the promotion and implementation of development and human rights programmes and stress the importance of their continued engagement with Governments, the United Nations and other international organizations in these key areas.

173. We welcome the dialogue between those organizations and Member States, as reflected in the first informal interactive hearings of the General Assembly with representatives of non-governmental organizations, civil society and the private sector.

174. We underline the important role of local authorities in contributing to the achievement of the internationally agreed development goals, including the Millennium Development Goals.

175. We encourage responsible business practices, such as those promoted by the Global Compact.

Charter of the United Nations

176. Considering that the Trusteeship Council no longer meets and has no remaining functions, we should delete Chapter XIII of the Charter and references to the Council in Chapter XII.

177. Taking into account General Assembly resolution 50/52 of 11 December 1995 and recalling the related discussions conducted in the General Assembly, bearing in mind the profound cause for the founding of the United Nations and looking to our common future, we resolve to delete references to "enemy States" in Articles 53, 77 and 107 of the Charter.

178. We request the Security Council to consider the composition, mandate and working methods of the Military Staff Committee.

8th plenary meeting
16 September 2005

UNITED NATIONS NATIONS UNIES

THE SECRETARY-GENERAL

--

REMARKS AT FIRST INFORMAL MEETING OF MEMBER STATES ON SYSTEM-WIDE COHERENCE

Friday, 13 March 2009

Mr. President,
Distinguished Co-Chairs,
Excellencies,
Ladies and Gentlemen,

It gives me great pleasure to open these Informal Consultations of the General Assembly on United Nations System-wide Coherence.

I congratulate Ambassador Mbuende of Namibia and Ambassador Yáñez-Barnuevo of Spain for being entrusted to lead this process. I very much look forward to working with them under the leadership of the President of the General Assembly.

I would also like to pay tribute to Ambassador Kavanagh of Ireland and Ambassador Mahiga of Tanzania. Their work and the resulting Assembly resolution have set the stage for the next phase of this work.

These consultations resume against a stark economic backdrop. Grim economic news is having major cascading effects on prospects for eradicating poverty and hunger, realizing the Millennium Development Goals and moving our world to a sustainable path of development.

There is great political support for addressing these global challenges. But the economic crisis is putting Member States under intense pressure. Revenue is being eroded, for individuals and governments alike.

I call on all governments to protect the hard-fought gains that have been made through national efforts and international cooperation. At this time of turbulence and need, we cannot fail the poorest and the most vulnerable.

And at times like these, when people turn to the United Nations for help, we must deliver. We must deliver real benefits that improve lives. And we ourselves must come together as a single family to further the international development agenda that we have helped to shape and that is a core part of our identity and global mission.

The current crisis poses serious risks to the continued growth of the funding base for the UN system's work for development. The system also suffers from internal contradictions and challenges.

Stronger coherence is essential. We need to be more efficient and more effective. These informal consultations can help forge common approaches and genuine programmatic cooperation across the system.

The scope of your consultations has been determined by General Assembly resolution 62/277 on system-wide coherence. Your work encompasses three clear but connected areas: gender, governance and finance. I will comment on each in turn.

As you know, advancing gender equality and empowering women is one of my top priorities.

Member States have made significant commitments to women in a variety of policy frameworks, including the Beijing Platform for Action, the CEDAW Convention, the 2005 Millennium Summit outcome and the MDGs.

Next year, we will commemorate fifteen years since the Beijing conference. We will also focus on gender equality during the high-level segment of ECOSOC.

To make the most of these events and to advance the UN's policy and programme work, I am committed to ensuring the best possible support.

At the moment, however, the UN gender architecture lacks a recognized driver. It is fragmented. It is inadequately funded, and insufficiently focused on country-driven demands. There are gaps between policies and implementation. Authority and accountability are weak.

Reforming our gender architecture is therefore critical if we are to deliver better on our mandated responsibilities. The United Nations must be equipped to provide Member States strong support tailored to their specific needs. This will enable Member States to fully mobilize women's creative and productive potential.

To implement this vision, we looked at two approaches

The first is to leave gender architecture as it is now while adding resources and improving interagency cooperation.

The second is to consolidate the four gender focused entities – the Office of the Special Adviser on Gender Issues and Advancement of Women, the Division for the Advancement of Women, UNIFEM and INSTRAW.

There are several institutional options for consolidation. These include a fund or programme similar to UNICEF or UNDP; a department of the Secretariat; or a composite entity, which would combine the features of both a fund and the department.

As requested by the General Assembly, the Secretariat prepared a paper that reflects the views of Member States, UN entities and civil society.

The paper has been submitted to the President of the General Assembly by the Deputy Secretary-General, on my behalf, for the Assembly's consideration.

It reflects a consensus among UN entities that the status quo would perpetuate the current weaknesses.

At the same time, it is recognized that a Department would not provide a robust field presence. And a Fund or Programme would not fully eliminate fragmentation, link normative and operational work, or exercise the level of authority needed to hold all entities accountable for performance.

Thus, the composite entity remains the most promising option.

The 63rd session of the General Assembly must take a decision on this critical issue. Much work has been done. Member States have reached important agreements. A solution is within our grasp.

Excellencies,

Let me turn now to the governance of operational activities for development.

We have come a long way in strengthening coherence in this area. We have done this through periodic reviews by the General Assembly, reforms of the Economic and Social Council, and making interagency bodies more inclusive. There have also been far-reaching moves toward coherence at the country-level, especially in the "delivering-as-one" pilot countries.

Nonetheless, it is generally felt that the present system of governance does not ensure policy consistency and coordination across the UN system. To strengthen it, we need to focus on five areas: transparency, policy coherence, coordination, funding and accountability.

As we undertake this work, let us agree that the following principles and elements should be part of any improved governance system:

First, it should be based on strong national ownership and leadership.

Second, it should provide a comprehensive and transparent overview.

Third, it should promote enhanced coordination.

Fourth, it should facilitate the participation of specialized and non-resident agencies.

And fifth, it should regularly assess the performance of operational activities for development of the UN system.

Excellencies,

Now I would like to say a few words about the third issue you will be focusing on in your deliberations: funding.

As we all know, the UN system uses complex funding mechanisms for operational activities for development. That complexity makes it difficult to promote efficiency, effectiveness and coherence at the country-level.

Strengthening the funding system should be underpinned by a number of objectives.

First, a strong commitment to core resources.

Second, predictability, stability and adequacy of voluntary funding flows.

Third, a simplification of the funding architecture.

Fourth, more equitable burden-sharing.

And fifth, a closer link between funding and objective measures of performance of the UN development system.

As you know, the Secretariat is preparing papers on funding and governance. That process has involved extensive inter-agency consultations. I intend to submit these papers to the President of the General Assembly as soon as they are ready.

Ladies and gentlemen,

Your consultations can go a long way toward revitalizing the role of the UN system in global development cooperation, and in advancing gender equality around the world. I attach great importance to the successful conclusion of these consultations before the end of the current legislative session of the Assembly. Toward that end, my colleagues and I stand ready to assist you in every possible way in this vital undertaking.

Thank you.

PERMANENT MISSION OF THE REPUBLIC OF NAMIBIA TO THE UNITED NATIONS

Mr. Secretary General
Mr. President
Excellencies
Ladies and Gentlemen

On behalf of my colleague and Co-Chair, Ambassador Juan Antonio Yanez-Barnuevo, I would like to welcome you to the General Assembly informal consultations on the System-wide Coherence following the adoption of Resolution 62/277 of 2008. The resolution provides that the work of the General Assembly on System-wide Coherence will focus exclusively and in an integrated manner on "Delivering as One" at country and regional levels, harmonization of business practices, funding, governance and gender equality and the empowerment of women.

I would like to thank the President of the General Assembly for the trust he has placed in us to move forward this important and challenging task. I also like to point out that the President of the General Assembly has high expectations of action oriented outcome during this session. I am reassured that this goal can be achieved with the cooperation of all Member States.

General Assembly resolution 62/277 of 2008:

"Requests the Secretary-General, drawing on the resources and expertise of the United Nations system and building on the outcome of its triennial comprehensive policy review, to provide to Member States substantive papers on the issues of funding and governance, as those issues arise in the context of system-wide coherence, with a view to facilitating substantive action by the General Assembly during the 63rd session."

The same resolution also:

"Welcomes in this overall context, the paper on "Institutional options to strengthen United Nations work on gender equality and the empowerment of women", which the Deputy Secretary-General provided to the President of the General Assembly on 23 July 2008, and requests the Secretary-General to provide a further, detailed modalities paper in respect of the options set out in the Deputy Secretary-General's paper, covering funding, governance structure, staffing, specific functions, relationship with the Commission on the Status of Women and other relevant bodies and, having regard to the totality of views expressed by Member States in informal plenary consultations on 8 September 2008, focusing in particular on the "composite entity" options with a view to facilitating substantive action by the General Assembly during the sixty-third session".

Finally, I would like to express our gratitude to our predecessors the Permanent Representative of Ireland, Ambassador Kavangh and the Permanent Representative of Tanzania, Ambassador Mahiga for their ground breaking work in this endeavor.

For our part, the Permanent Representative of Spain and I are ready and committed to engage with all Member States in a transparent and inclusive manner to ensure a positive outcome.

MINISTERIO
DE ASUNTOS EXTERIORES Y
COOPERACION

MISIÓN PERMANENTE DE
ESPAÑA ANTE LAS
NACIONES UNIDAS.
NUEVA YORK ONU

Consultas informales plenario Asamblea General

(13 de marzo 2009)

Coherencia global del sistema.

Consideraciones finales. Representante Permanente de España.

- Quisiera comenzar expresando el firme compromiso de trabajar activamente, junto con RP Namibia, de una forma incluyente y transparente y con la participación de todos los Estados miembros, para avanzar de manera efectiva en la labor de la Asamblea General sobre la coherencia global del sistema de Naciones Unidas.

- Los Facilitadores hemos escuchado con mucha atención la importante declaración del Secretario General, que mucho agradecemos, así como las intervenciones de y a las delegaciones que han tomado la palabra en el día de hoy, que han sido muy sustantivas y, en su conjunto, sumamente alentadoras para nuestra tarea colectiva. A medida que vayamos disponiendo de los documentos que la Asamblea General solicitó al Secretario General en la resolución A/RES/62/277, el RP de Namibia y yo llevaremos a cabo las consultas pertinentes con los Estados miembros, a fin de facilitar la adopción de medidas sustantivas por la Asamblea General en este periodo de sesiones.

- Concretamente en lo que se refiere al documento relativo a la arquitectura de género, preparado por la Secretaría, entendemos que la Oficina del Presidente de la Asamblea procederá a su distribución a los Estados miembros en la tarde del día de hoy. A partir de la semana que viene, tendremos un documento sobre el que trabajar.

- Somos conscientes de que nuestra labor es parte de un proceso de reforma largo, complejo y de gran calado. Sin embargo, también consideramos que – como ha señalado el Presidente de la Asamblea General – en los próximos meses disponemos de una oportunidad importante para avanzar en los temas identificados en la parte dispositiva de la resolución A/RES/62/277, y más específicamente en las cuestiones de financiación y gobernanza de las actividades operacionales de desarrollo y de promoción de la igualdad entre los géneros y el empoderamiento de la mujer. Para ello necesitaremos apoyo, flexibilidad y una actitud constructiva por parte de todos. Pueden contar con nuestra dedicación y nuestro compromiso para cumplir la importante tarea que nos ha encomendado el Presidente de la Asamblea General.

- En cuanto al enfoque global que debe presidir nuestros trabajos, quisiera recordar que la resolución 621277 de la Asamblea General, en su párrafo dispositivo 6º, “resuelve, al concluir todo el proceso sobre la coherencia en todo el sistema, examinar y tener en cuenta todas sus decisiones y deliberaciones anteriores en una resolución o decisión única”. Los co-facilitadores entendemos que ese enfoque global, que hemos de mantener, no debe impedirnos el avanzar, a medida que

podamos hacerlo, en áreas en que se logren acuerdos, de manera que podamos llegar a decisiones en esos campos, sin perjuicio de proceder en su momento a una evaluación de conjunto sobre las diversas cuestiones involucradas en este proceso.

- Por último, quisiera recordar, en línea con las palabras del Secretario General, que la coherencia no es un fin en sí mismo. El fin último de este proceso es el desarrollo. Se trata de lograr que NNUU funcione de manera más eficaz y coordinada, que haga óptimo uso de su riqueza de recursos y de conocimientos, siempre en beneficio del desarrollo económico y social de los pueblos del mundo, especialmente de aquellos que más lo necesitan. La gravedad de la crisis financiera y económica mundial nos impone un sentido de urgencia y acrecienta nuestra responsabilidad en la tarea que emprendemos.

- Tras escuchar las intervenciones de las diferentes delegaciones, y teniendo muy presente el importante trabajo ya realizado en anteriores periodos de sesiones – por lo que hemos de estar muy agradecidos a los Embajadores de Irlanda y Tanzania –, estamos convencidos de que contamos con la base y el apoyo necesarios para llevar adelante la labor que se nos ha encomendado, con la colaboración de todos.

- Muchas gracias.

Consultas informales 30 de marzo 2009. Coherencia global del sistema.
Reforma arquitectura de género.

Intervención Representante Permanente de España.

Excelencias:

Señoras y Señores:

En nombre del Representante Permanente de Namibia, Embajador Mbuende, y el mío propio les doy la bienvenida a esta sesión de consultas plenarias informales de la Asamblea General sobre coherencia global del sistema de las Naciones Unidas. También me complace dar la bienvenida a la Vicesecretaria General, Sra. Migiro, a la que agradezco su participación en esta sesión.

Durante las consultas informales plenarias sobre coherencia global del sistema celebradas el 13 de marzo, los co-facilitadores expresamos nuestra intención de tratar los documentos que la Asamblea General solicitó al Secretario General en los párrafos dispositivos 4 y 5 de la resolución A/RES/62/277 a medida que los citados documentos fueran transmitidos a los Estados miembros. Los co-facilitadores trabajamos sobre la base de que la labor intergubernmental de la Asamblea General sobre coherencia global del sistema está centrada sobre las cuestiones identificadas en el párrafo dispositivo 3 de la resolución A/RES/62/277, y , en este sentido, esperamos recibir a la mayor brevedad los documentos sobre gobernanza y financiación solicitados por la Asamblea General al Secretario General en el párrafo dispositivo 4 de la citada resolución con objeto de poder celebrar las consultas intergubernamentales pertinentes.

Como las delegaciones presentes conocen, el pasado 13 de marzo el Presidente de la Asamblea General transmitió a los Estados miembros el documento del Secretario General titulado “Detalles adicionales sobre opciones institucionales para fortalecimiento de los arreglos institucionales en apoyo de la igualdad de género y el empoderamiento de la mujer”.

Como señalamos en nuestra carta de 19 de marzo, el objetivo de los co-facilitadores para la sesión de esta tarde es mantener una discusión constructiva sobre el documento del Secretario General con vistas a orientar la acción sustantiva sobre la reforma de la arquitectura de género en las Naciones Unidas por parte de la Asamblea General durante el actual periodo de sesiones. Los co-facilitadores consideramos que esta reunión constituye una ocasión muy importante para avanzar en la formación de un consenso entre los Estados miembros acerca del fortalecimiento de los arreglos institucionales en apoyo de la igualdad de género y el empoderamiento de la mujer en el marco de las Naciones Unidas. El Representante Permanente de Namibia y yo somos conscientes de la necesidad de que entre todos efectuemos progresos significativos en esta materia y estamos dispuestos a trabajar activamente con todos los Estados miembros para conseguir avances sustantivos antes del final del corriente periodo de sesiones de la Asamblea General.

Sentadas así las bases para nuestro encuentro esta tarde, en primer lugar ofreceré la palabra a la Vicesecretaria General y posteriormente se abrirá la discusión a los Estados miembros.

Tiene Usted la palabra, Vicesecretaria General.

Consultas informales plenarias coherencia global sistema Naciones Unidas.

Miércoles 1 de abril.

Intervención RP España al final de las consultas.

- Los co-facilitadores agradecemos la amplia participación en las consultas informales plenarias celebradas el lunes 30 de marzo y esta tarde, prueba evidente del gran interés de los Estados miembros en el proceso de coherencia global del sistema de Naciones Unidas, y en la cuestión de la reforma de la arquitectura de género en particular.

- Durante la tarde del lunes y la de hoy los Estados miembros se han pronunciado sobre el documento del Secretario General titulado "Detalles adicionales sobre opciones institucionales para fortalecimiento de los arreglos institucionales en apoyo de la igualdad de género y el empoderamiento de la mujer". Los co-facilitadores hemos observado que la opción de la entidad compuesta ha recibido una atención especial. Asimismo, numerosas delegaciones han formulado preguntas y han solicitado aclaraciones sobre diversos aspectos del documento del Secretario General. Los co-facilitadores tienen la intención de celebrar una sesión interactiva con la Secretaría a nivel de expertos después de la fiesta de Pascua a fin de tratar las cuestiones suscitadas por los Estados miembros durante la sesión del lunes y de hoy. La carta de convocatoria de la reunión será enviada a los Estados próximamente.

- En lo que se refiere a los documentos sobre gobernanza y financiación, los co-facilitadores permanecen en estrecho contacto con la Secretaría y, una vez que sean transmitidos a los Estados miembros, se celebrarán las consultas informales intergubernamentales oportunas. En este sentido, de nuestros contactos con la Secretaría se desprende que el documento sobre gobernanza se encuentra en su

fase final de redacción y es previsible que su distribución a los Estados miembros se produzca en las próximas semanas.

- Finalmente, el Embajador Mbuende y yo hemos tomado nota de la solicitud de algunas delegaciones de que los co-facilitadores elaboren un programa de trabajo para las etapas futuras. En este sentido, los co-facilitadores consideramos que es necesario en primer lugar disponer de la totalidad de documentos que la Asamblea General solicitó al Secretario General. Una vez que los documentos de gobernanza y financiación sean distribuidos a los Estados miembros estaremos en mejores condiciones de elaborar el citado programa de trabajo, que será oportunamente comunicado a los Estados miembros.

Consultas informales 24 de abril 2009.

Coherencia global del sistema.

GOBERNANZA DE ACTIVIDADES OPERACIONALES DE DESARROLLO DE NNUU

Palabras de apertura Representante Permanente de España.

Excelencias:

Señoras y Señores:

- Les doy la bienvenida a esta sesión de consultas plenarias informales de la Asamblea General sobre coherencia global del sistema de las Naciones Unidas. También me complace dar la bienvenida a la Vicesecretaria General, Sra. Migiro, a la que agradezco su participación en esta sesión.

- Durante las consultas informales plenarias sobre coherencia global del sistema celebradas el 13 de marzo, los co-facilitadores expresamos nuestra intención de tratar los documentos que la Asamblea General solicitó al Secretario General en los párrafos

dispositivos 4 y 5 de la resolución 62/277 a medida que los citados documentos fueran transmitidos a los Estados miembros.

- El pasado 15 de abril, el Presidente de la Asamblea General transmitió a los Estados Miembros el **documento** titulado "Fortalecimiento de la gobernanza de las actividades operacionales de desarrollo de Naciones Unidas para aumentar la coherencia del sistema".

- Como hemos señalado en anteriores reuniones, los co-facilitadores trabajamos sobre la base de que la labor intergubernamental de la Asamblea General sobre coherencia global del sistema durante este periodo de sesiones está centrada sobre las cuestiones identificadas en el párrafo dispositivo 3 de la resolución 62/277. En cuanto a la materia que nos ocupa hoy, es importante insistir en que nos referimos a la dimensión de **gobernanza centrada en las actividades operacionales de desarrollo de Naciones Unidas**.

- Como señalamos en nuestra carta de 17 de abril, nuestro objetivo para la sesión de esta mañana es mantener una discusión constructiva sobre el documento del Secretario General, especialmente sobre la parte relativa a **recomendaciones**, con

vistas a orientar la acción sustantiva de la Asamblea General durante el periodo de sesiones en curso.

- Con propósito de enmarcar nuestro debate, me parece útil recordar algunas de las conclusiones recogidas en el Informe elaborado por nuestros predecesores, los Representantes Permanentes de Tanzania y de Irlanda ante NNUU, al final del pasado periodo de sesiones. En concreto, quisiera referirme a:
    1- La necesidad de complementariedad y correspondencia entre las estructuras en la sede central y la realidad que se desarrolla sobre el terreno, con atención especial al funcionamiento del programa piloto “Delivering as One”.
    2- Y, como corolario de lo anterior, la necesidad de que todos los cambios en la sede central sirvan para que el sistema de desarrollo de Naciones Unidas asista con mayor eficacia a los países en vías de desarrollo en la puesta en práctica de sus planes y sus programas nacionales de desarrollo.

- Asimismo, es importante tener presente en nuestros debates el valioso consenso de la Asamblea General reflejado en la resolución sobre la Revisión Trienal de las actividades operacionales de desarrollo (TCPR, Res. 62/208), las reformas emprendidas en el

ECOSOC en los últimos años, así como las medidas adoptadas por las Juntas Ejecutivas de los Fondos y Programas de NNUU.

- Por último, quisiera recordar que el Secretario General, durante la sesión que celebramos el pasado 13 de marzo para relanzar este proceso, subrayó que cualquier medida que se adopte en este campo, deberá:
  1- Respetar el principio de titularidad nacional,
  2- dar una visión de conjunto y transparente del sistema,
  3- promover una mayor coordinación,
  4- facilitar la participación de agencias especializadas y no-residentes,
  5- y examinar regularmente el funcionamiento de las actividades operacionales de desarrollo.

- Como ya hemos señalado en anteriores ocasiones, la coherencia no es un fin en sí misma, el objetivo final de este proceso es promover el desarrollo (el desarrollo económico y social de los pueblos del mundo, especialmente de los más necesitados). La gravedad de la crisis económica actual nos debe imponer un sentido de urgencia para trabajar con ahínco en esa dirección. El balance de la reciente reunión en París de la Junta de Jefes Ejecutivos para la Coordinación (Chief Executives Board) nos demuestra que el

sistema de NNUU tiene la capacidad y la voluntad de comprometerse a favor de una mayor coherencia y de una provisión más eficaz de asistencia al desarrollo.

- Por nuestra parte, hemos recibido un mandato firme del Presidente de la Asamblea General para efectuar progresos significativos en esta materia antes del final del corriente periodo de sesiones de la Asamblea General. Con ese fin, y respondiendo a las preguntas de algunas delegaciones en sesiones pasadas, al final de la sesión de hoy presentaré, a grandes rasgos, un programa de trabajo para los próximos meses.

- Sentadas así las bases para nuestro encuentro esta mañana, en primer lugar ofreceré la palabra a la Vicesecretaria General y posteriormente se abrirá la discusión a los Estados miembros.

  Tiene Usted la palabra, Vicesecretaria General.

Consultas informales 24 de abril 2009.

Coherencia global del sistema.

GOBERNANZA DE ACTIVIDADES OPERACIONALES DE DESARROLLO DE NNUU

Palabras de clausura del Representante Permanente de España.

Excelencias,
Señoras y Señores,

- Agradecemos la amplia participación de todas las delegaciones en estas consultas plenarias sobre la gobernanza de las actividades operacionales de desarrollo. Tomamos nota con satisfacción del interés y de la importancia que las delegaciones otorgan a esta cuestión y del deseo de seguir profundizando en esta materia.

- En concreto, al pronunciarse sobre las recomendaciones del documento presentado por la Vicesecretaria General, observamos que muchos de los puntos tratados giran en torno a la cuestión del equilibrio entre aspectos normativos y operacionales, esto es, el equilibrio entre el papel de guía estratégica y normativa que deben desempeñar la Asamblea General, el ECOSOC y las Juntas Ejecutivas de Fondos y Programas, y el liderazgo nacional en la puesta en práctica de los programas de desarrollo sobre el terreno.

- Asimismo, tomamos nota de los comentarios de las delegaciones en cuestiones concretas, como la necesidad de mejoras en la provisión y distribución de datos e información sobre las actividades operacionales de desarrollo, o la importancia de avanzar en las cuestiones de evaluación y rendición de cuentas.

- Con el fin de hacer avanzar este proceso, será importante hacer un esfuerzo para evitar la duplicación con otros procesos y debates en curso en NNUU, especialmente aquellos relacionados con la financiación del desarrollo. Del mismo modo, es innegable la conexión de los asuntos de gobernanza con aquellos relativos a la financiación, aspecto que deberá tenerse presente al abordar este último, una vez que Secretaría finalice la preparación del documento sobre este tema que esperamos esté listo próximamente.

- Finalmente, en lo referente al programa de trabajo, los Co-Facilitadores hemos acordado organizar nuestras tareas de la siguiente manera en el curso de los próximos meses:

    - la primera mitad de mayo celebraremos una sesión interactiva de los Estados miembros con la Secretaría de Naciones Unidas sobre el documento acerca de gobernanza de las actividades operacionales de desarrollo de Naciones Unidas. Esperamos disponer del documento del Secretario General sobre financiación de actividades operacionales próximamente, y, por tanto, también durante el mes de mayo se celebrarán consultas plenarias informales para tratar ese documento, seguidas de una sesión interactiva con la Secretaría para seguir profundizando sobre este tema. Finalmente, también durante el mes de mayo retomaremos la cuestión del fortalecimiento institucional para la igualdad de género y empoderamiento de la

mujer. Así, una vez que recibamos el documento de la Secretaría con respuestas y aclaraciones a las preguntas y comentarios expresados por los Estados miembros durante la sesión interactiva del pasado día 15, convocaremos una reunión de Estados miembros con la Secretaría para seguir profundizando en esta cuestión. Al final de esta sesión, los Co-Facilitadores elaborarán un resumen ejecutivo a fin de avanzar en la formación de consenso entre los Estados miembros.

- En el mes de junio, los Co-Facilitadores llevarán a cabo consultas bilaterales con los Estados miembros sobre el fortalecimiento institucional para igualdad de género y empoderamiento de la mujer, así como la gobernanza y la financiación de actividades operacionales de desarrollo de Naciones Unidas. A finales de junio, los Co-Facilitadores convocarán una reunión informal plenaria para informar a los Estados miembros del resultado de sus contactos, identificar áreas donde se hayan constatado progresos y cuestiones en las que se necesita trabajo ulterior.

- En el mes de julio, los Co-Facilitadores continuarán sus contactos con los Estados miembros sobre las áreas anteriormente señaladas, con objeto de ir perfilando los puntos de acuerdo intergubernamental que nos permitan tomar una decisión sobre los tres grandes temas bajo consideración al final de este periodo de sesiones.

- En todo caso, el programa que acabo de presentarles es un marco general de nuestra actuación en los próximos meses y los Co-Facilitadores convocaremos reuniones adicionales a las mencionadas anteriormente si se estima necesario.

- *Por último, por su interés para el debate mantenido hoy en esta sesión y para este proceso, quisiera recordar a todas las delegaciones que hoy a las 13.45h se celebra una reunión o panel informal, abierto a todas las delegaciones, con la participación de todos los coordinadores residentes de los países piloto del programa "Delivering as One". El panel se celebrará en la sede de UNICEF, por iniciativa del Grupo de Naciones Unidas para el Desarrollo (UNDG), y estará presidida por el Embajador de Suecia.*

Muchas gracias.

U N I T E D N A T I O N S **N A T I O N S U N I E S**

THE DEPUTY SECRETARY-GENERAL

REMARKS TO INFORMAL CONSULTATIONS
OF THE GENERAL ASSEMBLY
ON UN SYSTEM-WIDE COHERENCE

New York, 24 April 2009

Distinguished Co-Chairs,
Excellencies,
Ladies and Gentlemen,

It is a pleasure to be with you again.

These consultations on United Nations System-wide Coherence, under the able guidance of Ambassadors Mbuende and Yáñez-Barnuevo, are tremendously important to the work and future of the Organization.

I will focus mainly on the paper on governance, which is before you. But first, allow me to say a few words on funding, which is the subject of another paper that you will receive very soon.

The availability, as well as the use, of resources made available to the United Nations system directly relates to coherence. In fact, the way the Organization system is financed is a source of incoherence.

The current funding architecture is fragmented. Core resources as a share of total resources have declined significantly. Funding is neither stable nor predictable. This undermines the system's ability to provide a coordinated and coherent response to the diverse development challenges we face. I therefore urge you to view funding and governance issues as interlinked pieces of the same puzzle.

Allow me now to turn to governance. There are two facets to the governance of operational activities.

First, there is the political oversight that Member States exercise through the United Nations' principal organs and the governance structures of the entities.

Second, there is the question of institutional governance – the executive direction and management carried out by the Secretariat. The note before you addresses both perspectives.

Excellencies,

Coherence, or incoherence, starts at home.

The engagement of governments in United Nations system bodies often mirrors partitions between different ministries at the national level. The result is that positions expressed in one UN forum can be at odds with those taken by the same government in another.

Another challenge is that Ministers or senior officials most closely engaged in development cooperation at home are not involved at the United Nations system level. Government officials, who know what is happening on the ground, need to be directly involved in crafting policy guidance at the General Assembly and ECOSOC.

Let me now turn to the question of institutional governance. Many of the coherence problems we face can be traced back to the founding and evolution of the Organization. Member States chose to create organizations around specific thematic or sectoral functions.

We have a range of United Nations entities with their own governing bodies that are not directly guided by the General Assembly or the Economic and Social Council. We need better mechanisms for providing strategic overview and guidance.

Despite this historical legacy, we have made considerable progress in improving coherence in the last few years.

The Chief Executives Board regularly initiates common responses to global challenges. The High-level Task Force on Global Food Crisis adopted a Comprehensive Framework for Action and is working on a funding mechanism. Most recently, the Board launched a joint initiative to respond to the financial and economic crisis.

Through its High-level Committee on Management, the Board is also working on the harmonization of business practices. The United Nations Development Group has made progress in making our operational work more coordinated and inclusive at the country level. Such a progress has been achieved by strengthening the Resident Coordinator System and helping United Nations organizations work together in new and more efficient ways.

The Delivering as One process has also helped the United Nations perform more coherently at country level by introducing “One Programme,” “One Budget,” “One Leader” and “One Office,” under the leadership of governments.

Notwithstanding these advances, much more clearly needs to be done.

The Secretary-General's note on governance is the product of extensive inter-agency consultations. It builds on three fundamental premises. First, improved governance at the global level should advance national ownership and leadership, and support national development strategies. Second, it should increase the effectiveness of the United Nations system's operational work.

Third, improved governance should build on the General Assembly's regular comprehensive policy reviews of operational activities to guide development cooperation throughout the United Nations system.

At the start of these informal consultations, the Secretary-General stressed four priority areas for improved governance:

- Better strategic overview;
- Improved policy coherence;
- Strengthened coordination; and
- Greater accountability.

The ten principal recommendations in the Secretary-General's paper address these priority areas. They put forward various suggestions for providing high-quality information for decision-making at the global and national levels. In addition, they delineate policy roles for the General Assembly and ECOSOC in providing guidance to the United Nations system. They recommend giving national focal points a greater role in global policy-making.

The paper also recommends strengthening the capacity of national governments to align external assistance with national goals and strategies. This, of course, lies at the core of the Delivering as One process.

Other recommendations in the paper include:

- Enriching ECOSOC's guidance through government-nominated experts;

- Improving coordination with the Bretton Woods institutions; and

- Enhancing the evaluation of the impact of the United Nations system in promoting the implementation of internationally agreed development goals, including the Millennium Development Goals.

Excellencies,

We believe that the proposals in the Secretary-General's note will go a long way towards increasing the coherence of the United Nations system.

We look forward to working closely with you on this complex exercise.

Thank you very much.

UNITED NATIONS NATIONS UNIES

THE DEPUTY SECRETARY-GENERAL

REMARKS TO THE GENERAL ASSEMBLY
ON UN SYSTEM-WIDE COHERENCE -- INFORMAL CONSULTATIONS ON FUNDING PAPER

New York, 19 May 2009

Distinguished Co-Chairs,
Excellencies,
Ladies and Gentlemen,

It is a pleasure to join you today and I am pleased to hear that the consultations on governance have gotten off to a good start.

I understand from the co-chairs that you have had a good session at the expert-level with colleagues from across the United Nations system. A better understanding of the proposals in the Secretary-General's note is the starting point for narrowing differences. I am encouraged by these developments.

Today, we will be discussing the paper on funding United Nations operational activities for development.

This paper, like the one on governance, has been developed through an intensive consultative process involving a broad range of stakeholders across the United Nations development system.

The effectiveness and efficiency of United Nations' operational activities for development rely heavily on a coherent and well-functioning funding system. And as rightly stressed by many of you in your recent consultations, funding is intrinsically linked to governance.

The paper highlights how current funding mechanisms do not provide adequate, predictable nor flexible contributions. The burden of contributions is not evenly shared. The declining share of core resources in overall contributions is weakening the ability of the UN system to fully deliver on its operational activities. This trend also limits the impact of the strategic guidance provided by governing bodies of United Nations entities.

Another important trend is the growing fragmentation of non-core resource flows, which is making management and programme implementation more challenging.

This fragmentation is increasing transaction costs, reducing aid effectiveness and weakening policy coherence. Significant streamlining of non-core resource flows is critical if we are to strengthen the funding architecture.

In an effort to address the growing volatility in resource flows, United Nations funds, programmes and specialized agencies have increasingly introduced multi-year funding frameworks and strategic plans. These instruments have enhanced the predictability of resource flows, but their impact varies from one organization to another. Such instruments have also helped entities to focus on high-priority areas and to better measure results.

More recently, several United Nations entities have introduced innovative mechanisms to improve the predictability of funding flows. UNEP, for example, has launched the voluntary indicative scale of contributions, or VISC, which has helped to broaden its donor base and led to higher contributions.

Agencies such as the ILO, WHO and FAO have introduced core voluntary accounts to enable countries to provide non-earmarked resources over and above assessed contributions. Notably, however, only a small number of donors have started to contribute to these mechanisms.

The funding paper also discusses the increasingly uneven burden-sharing of contributions for UN operational activities for development. The reliance on a small number of countries for a high share of core resources is making UN entities more vulnerable to major fluctuations in overall funding flows. We must broaden the donor base as a matter of priority.

The funding paper recommends that United Nations entities do more to improve organizational performance, enhance aid effectiveness and strengthen country-level coherence.

In proposing options for the way forward, the Secretary-General's paper builds on earlier guidance provided by the General Assembly through the Triennial Comprehensive Policy Review process. It is suggested that instead of undertaking major structural reform of the funding architecture, the focus should instead be on improving the efficiency, effectiveness and coherence of the existing system, underpinned by the following five objectives:

First, a strong commitment by UN entities to common country programming and budgetary frameworks that are based on the principle of national ownership and leadership.

Second, a strengthened commitment of donors to increase overall contributions as a key pillar of the funding system, including core, or regular, resources of United Nations funds, programmes and specialized agencies.

Third, simplification of the present architecture of supplementary funding, including improved alignment with strategic plans adopted by governing bodies of the United Nations system.

Fourth, enhanced performance management across the United Nations development system.

And fifth, a stronger commitment by both donors and United Nations entities to the principle of aid effectiveness.

In short, the funding paper proposes a compact in which donors improve the quantity and quality of resource flows while UN entities enhance performance and aid effectiveness.

A key recommendation is that donors renew their commitment to providing adequate development assistance, in accordance with earlier commitments, particularly against the current backdrop of rapidly deteriorating socio-economic conditions in many developing countries as a result of the economic and financial crisis.

Developing countries are especially vulnerable to this crisis. It is crucial that ODA be targeted at meeting the internationally-agreed development goals, including the Millennium Development Goals.

The paper also recommends that donors help strengthen the system-wide funding architecture.

Firstly donors should provide a minimum of 50 per cent of system-wide contributions as core, or regular, resources. Core funding is currently 30 per cent of overall contributions. It is proposed that the new ratio be reached over a period of four years.

Donors are also encouraged to channel a minimum of 50 per cent of system-wide non-core/extra-budgetary resources to thematic funds linked to strategic plans adopted by governing bodies.

And finally, donors are asked to support the establishment of common country funds to fill funding gaps. This would promote joint efforts to mobilize resources as well as national ownership and leadership.

I wish to also highlight some of those recommendations within the paper which call for specific action by the United Nations development system. These include the following:

1. A common standard should be established to assess organizational and operational effectiveness of UN entities. The new standard could replace those currently used by some donor countries.

2. Results-based management, monitoring and evaluation, and reporting systems at the country-level should be harmonized. The aim here is to strengthen the accountability of the United Nations country team to the national government for the delivery of agreed results; this is also an important recommendation of the TCPR process. And,

3. A biennial report on aid effectiveness should be published. This would enable Member States to review progress in a holistic manner.

Excellencies,

These practical recommendations will further strengthen the funding architecture, and help generate significant benefits to programme countries, donors and the United Nations system alike. This will be especially pertinent in respect of improving the quantity and quality of resource flows, lowering transaction costs, enhancing aid effectiveness and improving policy coherence.

The proposals also respond to General Assembly resolutions 63/232 and 62/208, in which Member States requested the Secretary-General to promote an adequate funding base, an upward trend in contributions, predictability, multi-year pledging and a balance between core and non-core contributions.

We hope that the Secretary-General's recommendations will stimulate constructive dialogue among Member States and contribute to a significant outcome during the current legislative session of the General Assembly.

As always, we stand ready to support you in every possible way in this important undertaking.

Thank you.

Statement by Nikhil Seth, Director, Office for ECOSOC Support and Coordination, UNDESA, at an informal meeting of the General Assembly on strengthening the system-wide funding architecture of UN operational activities for development

Friday, 4 June 2009

Distinguished Co-Chairs,

Distinguished Delegates,

Ladies and Gentlemen,

Once again, thank you for inviting DESA and our partners from the UN system to respond to the questions raised by Member States in the 19 May consultation on funding. We feel that these interactive sessions are contributing greatly to moving this important consultative process forward.

I would also like to use my remarks this morning to provide further details on the recommendations in the funding paper. My UN colleagues on the podium will elaborate on those issues on which they have greater institutional expertise and experience.

At the outset of this interactive session, I would like to briefly discuss the link between the governance and funding papers – an issue raised by several delegations in the 19 May consultation.

Governance at both intergovernmental and UN system level includes oversight of funding volume, modalities and mechanisms. Thus the recommendation to improve governance will ipso facto include oversight of funding modalities and mechanisms. This will be true at the level of the GA, ECOSOC, the Executive Boards and other governance structures. Moreover, agreements reached by the GA on funding will be assessed and reviewed in the GA/ECOSOC context.

This interface between governance and funding of UN operational activities for development is best explained through concrete examples.

The proposals in the funding paper to raise the ratio of core funding from its present level of 30 per cent to 50 per cent over a period of four years and channel a minimum of 50 per cent of non-core resources to thematic funds linked to strategic plans of UN entities will not only improve coherence and lower transaction cost, but also strengthen the role of governing bodies in determining how resources are allocated, as well as give the GA and ECOSOC a clear role in monitoring implementation.

Other recommendations in the funding paper such as those relating to the reform of strategic planning frameworks, the establishment of a common standard to assess organizational and operational efficiency and the publication of biennial aid effectiveness report would have similar impact in terms of strengthening the role of governing bodies at the central-level.

The funding paper also makes several other recommendations which are more aimed at strengthening administrative governance of the UN system, or how UN entities collaborate at the country-level. The most significant of those is probably the proposal to establish common country funds.

The governance paper similarly makes recommendations that impact the funding system such as the proposed central repository of information, the establishment of the system-wide performance evaluation unit and the promotion of voluntary, nationally-owned common country programming at the country-level.

These examples demonstrate the importance of adopting an integrated and strategic approach to the strengthening of the governance and funding architecture of UN development cooperation. While the governance system provides the overall framework within which UN entities operate, the funding is the lifeblood of UN development cooperation.

Due to this symbiotic relationship between governance and funding, the governance paper advocates further strengthening of the capacity of ECOSOC to provide strategic overview and monitoring of system-wide effectiveness of UN development cooperation, including the overall objectives and priorities of the UN system, funding trends, sources of funding and breakdown of expenditures.

In response to a question by the distinguished delegate of Malaysia, it should be recalled that ECOSOC is tasked to provide coordination and guidance, notably in the implementation of the comprehensive reviews of operational activities. The Council therefore has the mandate to address the fragmentation of funding - an issue regularly addressed in GA resolutions on the comprehensive policy review.

The ten recommendations presented in the funding paper focus on measures to enhance the effectiveness of the existing funding architecture rather than suggesting major structural reform. A compact is proposed where donors would renew their commitment to improve the quantity and quality of resources flows, while the UN system would undertake commensurate action to enhance the effectiveness and efficiency of UN development cooperation at the country-level, and to make it more responsive to the needs of beneficiaries, a long-standing priority of programme countries.

With respect to the first recommendation, "*renewing commitment to funding volume*", it is proposed that the Secretary-General, with the support of senior colleagues from the UN system, undertake high-level policy dialogue with Member States on how the UN

development system can contribute to socio-economic recovery in developing countries during this time of global economic and financial crisis.

Improving the volume, flexibility and predictability of funding flows is critical for enhanced effectiveness of UN development cooperation. The proposed high-level policy dialogue could help focus the attention of the international community on how a better resourced and more effective UN development system could help programme countries address the complex consequences of the global economic and financial crisis. This recommendation, as well as the whole analysis in the funding paper, reiterates the importance of increasing the quantity of funding for UN system's operational activities.

In response to a question raised by the distinguished representative of the Group of 77 and China during the 19 May consultation regarding the nine joint initiatives currently being undertaken under the auspices of the CEB to assist countries and the global community to address the effects of the global economic and financial crisis, I would like to mention that further details on these initiatives will be provided including at the forthcoming substantive session of ECOSOC.

The second recommendation on "*providing minimum of 50 per cent of system-wide contributions as core/regular funding*", aims to enhance the coherence, effectiveness and efficiency of management and programme implementation of UN development cooperation. This recommendation also aims to contribute to improved intergovernmental governance of the UN development system, as highlighted earlier. The paper argues that raising this ratio from the present 30 per cent to 50 per cent over a period of four years would require shifting annually approximately $1 billion from non-core to core funding or about $4 billion over the four year period (based on 2007 price level).

In response to a question raised by the distinguished delegate of Mexico at the 19 May consultation, I can say that the 50 per cent target was selected as it was felt feasible to achieve this goal over the four-year period. Raising this ratio from 30 per cent to 50 per cent would also be a significant step in the right direction in terms of improving the current imbalance between core and non-core contributions, an issue raised by the distinguished representative of the Group of 77 and China during the 19 May consultation. This could be an intermediate target. Some donors, such as Belgium are committed to making 100 per cent contributions as core funding.

With respect to the third recommendation on "*revising budgetary laws and practices to allow for multi-year core funding commitments*", the distinguished representative of Malaysia requested further information on the difficulties encountered by donors in making such commitments. Here it is important to note that all DAC donors work with annual budgets. The budget is generally approved by parliament 1-3 months before the beginning of the financial year. Most UN agencies, on the other hand, work with biennial budgets.

While the budgets of donors are annual, the budgetary planning is multi-year. In at least half the OECD/DAC countries, the budget proposal includes a forward-looking 3-4 year indicative spending plan presented to parliament for information. While the parliament in

some countries endorses a multi-year budget framework, the endorsement doesn't guarantee the availability of funds in later years.

Another issue affecting the predictability of funding flows is the unsynchronized budget cycles of governments in donor countries. In the United States, for example, the fiscal year starts in October, while in Japan, it begins in April, and other countries use different timeframes.

These and other related factors therefore make multi-year funding commitments to UN development cooperation more difficult.

The fourth recommendation on "*channeling minimum of 50 per cent of system-wide non-core resources to thematic funds linked to strategic plans adopted by governing bodies*" is aimed at reducing the current high degree of fragmentation of the funding architecture of UN development cooperation. In response to a question raised by the distinguished representative of the Republic of Korea, one can say that an important objective of this recommendation is to promote enhanced coherence and lowering of administrative costs of UN development cooperation, while simultaneously contributing to more effective intergovernmental governance, as mentioned earlier.

In response to a question from the distinguished representative of Mexico, I would like to say that the proposed 50 per cent target, in our view, would constitute a sufficiently bold step to transform the funding architecture of UN development cooperation. Once again, this could be an intermediate target subject to evaluation of its impact.

The distinguished representative of the United States also asked why non-core funding has increased at faster rate than core resources in recent years. There are undoubtedly many reasons that can explain the current imbalance between core and non-core resources, but I would just like to mention three, first, the growing demands of donors for enhanced accountability for results, particularly in areas considered of high priority. Accountability for results is easier to attain if the scope of activities is small and well-defined, rather than at the level of much larger programmes, despite recent progress in the introduction of results based management in UN entities. A second reason is the rapid expansion of the work of the UN system in post conflict and post disaster recovery and transition. Thirdly, the shift to national execution in the mid-to-late 1990s meant that specialized agencies could no longer rely on UNDP to provide funds for operational activities, but had to mobilize resources directly from donors.

In response to a question by the distinguished representative of the CANZ Group on how much of the growth in non-core contributions is attributable to country-level project funding, which is channeled through the UN system as opposed to thematic, joint programming or multi-donor funding, the limited data available suggests that country-level project funding has grown faster in recent years than other non-core resources such as thematic funds, multi-donor trust funds and private giving.

A major factor in explaining this growth in non-core country-level project funding has been significant increase in self-supporting contributions by programme countries – an issue raised by the distinguished representative of Japan in the 19 May consultation.

The 2009 statistical report of the Secretary-General estimates that self-supporting contributions of programme countries in 2007 amounted to $2.15 billion, of which $1.55 billion was contributed through UNDP and $400 million through specialized agencies. Of the $2.15 billion in 2007, the Latin America region accounted for $1.63 billion, or approximately 75 per cent.

Such self-supporting contributions of programme countries have grown annually by almost 29 per cent between 2005 and 2007 (current US dollars), while non-core contributions overall have experienced an annual growth rate of 4.4 per cent. For UNDP, self-supporting contributions from programme countries accounted for 43.5 per cent of overall non-core funding in 2007, compared to 33 per cent in 2005.

In addition to such self-supporting contributions, developing countries contributed $360 million in 2007 to other development-related activities of the UN system, according to the 2009 statistical report of the Secretary-General, which responds to a question raised by the distinguished representative of Japan.

These examples also highlight, in my view, the growing complexity of the funding architecture of UN development cooperation and the need to further build the capacity of intergovernmental bodies such as ECOSOC to exercise effective strategic overview at the central-level, as proposed in the governance paper.

The objective of the fifth recommendation on "*supporting the establishment of common country funds to fill funding gaps in common country programmes*", is to further strengthen national ownership of UN development cooperation at the country-level and to facilitate joint resources mobilization by the UN system. Each common country fund would be a multi-donor trust fund using UNDG standard documents and procedures. The common country fund would support coordinated resources mobilization, allocation and disbursement of donor contributions for the unfunded elements of the common country programme. Through the establishment of a Steering Committee, co-chaired by the national government and the UN Resident Coordinator, the establishment of the common country fund would help ensure alignment of the common country programme with national development priorities. The establishment of the common country fund would also decrease transaction cost to all stakeholders and improve the efficiency of UN operations by ensuring great degree of flexibility in the allocation of resources within the common country programme. It would, most importantly, help fund the gaps in the implementation of the common country programme.

In response to a question from the distinguished representative of Ireland at the 19 May consultation, one can say that an important end objective of the common country funds would be to align the agendas of different UN agencies behind nationally-owned common country programmes so that the coherence process is truly country-driven. The funding

paper envisages that all programme country governments that so decide, would have the option to establish a common country fund.

In response to another question from the distinguished representative of Ireland, I would also like to mention that UNDG is currently developing a paper on how savings in harmonization of business practices at the country-level can be ploughed back into operational activities. This paper is expected to be ready in the next few months.

The increase in programmable resources through the common country funds provides a strong incentive to the UN system to speed up the process and is of crucial importance to the programme countries.

With respect to recommendation seven on "*establishing common standard to assess organizational and operational efficiency*", it is important to note that the primary objective is to promote greater efficiency in the work of UN agencies at the country-level. This has been a long-standing priority of programme countries as reflected in many TCPR resolutions. There is an expectation that more efficient operations at the country-level will help maximize the impact of the UN system's support and attract additional funding to UN development cooperation. The establishment of such a standard would also demonstrate the commitment of UN entities to enhance organizational and operational efficiency at the country-level. Although it is envisaged that these assessments be conducted by the respective governing bodies, Member States might also decide to use the standard to conduct such evaluations in an independent manner.

It might be recalled that thus far, methodologies to assess organizational efficiency of multilateral agencies have been mainly developed by donors. This recommendation would enable to put in place a more universally accepted standard, while of course respecting the right of any Member State to conduct its own evaluations.

In response to a question from the distinguished representative of Malaysia, one could foresee that the standard for organizational and operational efficiency, including the definitions of performance and accountability, be developed in partnership between the UN development system, programme countries and donors. In that sense, the process of developing the standard could contribute to improved governance of UN development cooperation.

With respect to recommendation nine on "*standardizing funding terminology and procedures*", it should be noted that the UN development system classifies contributions and expenditures in a different manner than OECD/DAC. For example, many activities classified in UN statistical reporting as development-related, are not in sync with the OECD/DAC definition. Some extra-budgetary contributions to the UN development system are also classified by DAC as bilateral, while the same contributions are included in UN statistical reporting of operational activities for development.

It has been pointed out that these differences in funding terminology between the UN and OECD/DAC may affect resources mobilization of some UN agencies, as donors may be

reluctant to provide additional funds to some UN entities if such contributions cannot be reported as ODA. In addition, the widely different definitions of funding sources among UN entities are also making the reporting on UN operational activities, more challenging.

There are also several other methodological differences in the measurement of ODA among major actors in international development cooperation, for example, when it comes to definition of concessionality, which may qualify certain kinds of loans/credits as ODA, but not others. This highlights the need for further efforts at harmonization.

Recommendation ten "*publishing biennial aid effectiveness report*" is first-and-foremost aimed at addressing the longstanding concern of Member States of lack of efficiency in country-level operations of the UN system. In response to demands from governments in programme countries, the UN system has also made commitments at the international-level in recent years to further enhance aid effectiveness at the country-level. The biennial aid effectiveness report would provide an opportunity to examine progress in realizing such commitments, as well as the implementation of relevant policy guidance established by the GA through the comprehensive policy review. An important objective of the biennial aid effectiveness report would be to facilitate informed deliberations and decision-making on these important issues at both country and global levels.

Distinguished co-chairs,

Through this presentation, I have attempted to answer many of the questions raised by Member States in the 19 May consultation. DESA stands ready to support you in this important work in every possible manner. We would be happy to revert back on these issues in more detail.

Thank you.

Interactive meeting on gender

Introductory remarks PR of Namibia

8 June 2009. Conference Room 1. 3-6 pm

- The objective of this interactive meeting is to continue the consideration of the strengthening of institutional arrangements in support of gender equality and the empowerment of women.

- First of all, we will receive a power point presentation by the UN Secretariat in response to the questions and comments raised by MS in the interactive meeting held on 15 April. The power point presentation supplements the information sent to all MS on 4 June.

- After the presentation MS will have the opportunity to interact with the representatives of the UN system present at this meeting. We look forward to a lively and productive dialogue that will help us identify areas of consensus.

- Without further ado, I give the floor to the Secretary-General´s Special Adviser on Gender Issues and the Advancement of Women, Ms. Rachel Mayanja.

Interactive meeting on gender

Final remarks PR of Namibia

8 June 2009. Conference Room 1. 3-6 pm

- We thank Ms. Mayanja and the other representatives of the UN system for their participation and the presentation of the additional information in response to the questions raised by Member States in previous meetings.

- The debate on the reform of the gender architecture has been going on for some time now. Member States have received four documents from the Secretary-General plus the additional information presented today. All these papers constitute a good basis for the intergovernmental work ahead. The time has come for Member States to identify common ground with a view to strengthening the UN gender architecture.

- For our part, we will work on an executive summary on this matter in order to reflect the status of the current discussions and make some recommendations on the way forward.

- During the month of June, the Co-Chairs intend to meet with regional groups and individual delegations on the issues involved in the process of System-wide Coherence. We also intend to hold a joint informal consultation on the three

issues in the second half of June. I would like to take this opportunity to appeal to all delegations to prepare for that meeting in the spirit of consensus-building geared towards substantive action on the three main issues during the current GA session.

Statement by Helen Clark

Chair of the United Nations Development Group

On the Occasion of the Informal Session of the Inter-governmental consultations on System-wide Coherence

11am, 8 June 2009, New York

Co-chairs for the System-wide Coherence for the inter-governmental process of the General Assembly,

Distinguished delegates,

Colleagues and Friends,

I am pleased to join you today as the Chair of the United Nations Development Group to brief you on the UN development system's efforts to increase its coherence, effectiveness and efficiency, particularly through the "Delivering as One" pilots.

I would like to thank the Co-chairs H.E. Mr. Kaire Munionganda Mbuende, the Permanent Representative of Namibia, and H.E. Mr. Juan Antonio Yáñez-Barnuevo, the Permanent Representative of Spain, for the important leadership role they are playing in the inter-governmental process of the General Assembly.

I would also like to thank their predecessors, H.E Mr. Augustine Mahiga, the Permanent Representative of the United Republic of Tanzania, and H.E. Mr. Paul Kavanagh, the Permanent Representative of Ireland, for their strong support to system-wide coherence efforts last year.

As I noted in my remarks to the UNDP Executive Board two weeks ago, as Chair of the UN Development Group I am committed to working constructively with all our partners in the UN family, and also to building strong relationships with the largest possible range of stakeholders in development – civil society, donors, the IFIs, and all other partners. Of course, our most important partnerships must be with the governments and peoples of the countries in which we work.

The global recession is a challenging time for the work of the UN development system, but it is also an opportunity to look at fresh ways of doing things, and to innovate.

UNDG members have heard the calls of Member States for a more coherent, effective, and efficient UN development system. Such a system can better support national partners to address the many challenges they face. We clearly cannot be effective working as a disparate set of agencies. We need a coherent programming and operational approach which can maximize the development impact of our support to Governments.

In the last two years, we have increasingly come together as a system : together we are determined to deliver better results, more efficiently and effectively, in support of nationally-led and demand-driven development programmes. Across the specialized

agencies, funds, and programmes, we are implementing measures to improve our collaboration.

This is especially important at this time given the many significant challenges developing countries are facing. The impact of the global economic crisis on the world's poor, the climate change challenge, and recent experiences of high food and fuel prices make it more important than ever that we work together.

<u>What have the pilot countries achieved and what are some of the challenges</u>

I recently had the opportunity to meet with the Resident Co-ordinators and Resident Representatives from the eight

"Delivering as One" Pilot countries. One cannot fail to be impressed with the progress that the governments and UN Country Teams of these countries have made in delivering as one. I also recognize the important efforts of numerous governments and UN Country Teams around the world which are working, on their own initiative, to improve the UN's ability to respond and deliver more coherently to national priorities.

My remarks today will draw primarily on the 2008 Stocktaking Reports prepared jointly by the national governments of the pilot countries and the UN Country Teams.

Preparing a joint annual assessment by the national governments and the UN Country Teams is in itself an important development.

It allows for a collective and transparent assessment of what is working, what more needs to be done, and where the challenges lie. Yet, while we recognize the importance and value of these Reports, we also recognize that we will only have more conclusive findings on the work and results of the Pilots once a formal evaluation of them has taken place.

The following are some of the important results that the pilot countries are reporting :

First, national leadership and ownership, recognising the central role of the host governments, is at the heart of the reform process in the pilot countries. This was noted as an important achievement in the development of the programmes in 2007.

Governments in these countries increasingly provide specific guidance to the UN development system on the support it can give to national development priorities, in line with the UN's comparative advantage.

It is also being reported that there is more involvement of line ministries in the planning and implementation of the UN's development assistance at the country level. In some countries, there is also increased engagement of other national partners, including of civil society.

It follows, secondly, that the work of the UN Country Teams in the pilot countries has shown increased alignment with national

priorities and development strategies, as called for in the Triennial Comprehensive Policy Reviews. Greater emphasis has been placed on the strengthening of national capacities and the increased use of national systems and procedures. Institutional arrangements have been established to promote greater coherence across the development assistance provided by donors to the country. Transaction costs for the governments appear to have been reduced.

Third, as expected, the experience of the Pilots is rich and varied, reflecting the very different country contexts and development needs. The UN system is learning a lot from the lessons learned and the challenges faced. For example, many of the pilot countries have reported that common budgetary frameworks and

country funds have significantly improved the transparency of the UN. They enhance inter-agency collaboration and facilitate greater coherence in monitoring and financial reporting obligations. We have also seen the UN Country Teams strengthen their ability to deliver results through the more integrated approach to programming and operations.

Fourth, the pilot country stocktaking has shown that having a pooled "One Fund" mechanism helps to harmonize resource mobilization and reporting among UN organizations on the ground, and reduces the transaction costs which would have been associated with a more fragmented funding model.

Fifth, the enhanced role of the UN Resident Co-ordinator through the strategic positioning of the UN in the pilot countries, and of a strengthened and more accountable UN Country Team, has been very important in responding coherently to national development priorities. At the request of national partners, UN Country Teams have come together more effectively to provide policy advice on a range of important concerns, such as climate change, the food crisis and the global economic crisis. Non-Resident Agencies are playing an increasingly important role in the pilot countries, showing that the "delivering as one" approach enables the UN to leverage the expertise and mandates of its wider family in support of national development priorities.

Sixth, in 2008 many of the pilot countries embarked on and made important progress in harmonizing and simplifying business practices, across the areas of procurement, information and communications technologies, and human resources. This should also enhance the effectiveness and efficiency of UN Country Team operations.

While the 2008 Stocktaking Reports highlight much which is positive, it also identifies some challenges to be addressed for the reform process to progress further. Accelerating the harmonization of business practices is one of those challenges. That also requires continuing reform at the global level of our agencies, even as quick-win solutions are being tested by the pilot countries. Business practice issues which need system-wide

agreement and implementation are being taken forward by the High Level Committee on Management of the Chief Executives Board.

Another challenge is to respond to the Triennial Comprehensive Policy Review call to identify and measure transaction costs and efficiencies. This is an important area for further UNDG work.

Funding predictability remains a major issue. The Pilots have put in place elements considered important for reform, including a more integrated and strategic programme; one budgetary framework and one fund; and systems to ensure better reporting of results. Yet, in many of the pilots there are still insufficient resources in the "One Funds"; in others, the funding has been

earmarked, leading to reduced flexibility to implement the overall programme as foreseen and to deliver the results that are expected.

A further challenge is the call from the pilot countries for the development of a single results report. That would capture the totality of the UN development system's results in a country on an annual basis, and reduce the reporting burden which currently exists. Further streamlining of the common country programming is also being sought.

In all these areas, the UNDG is working closely with countries to identify what further simplification and harmonization can be

undertaken consistent with the Triennial Comprehensive Policy Review.

Within the UNDG and through the inter-governmental process we will continue to gather the initial lessons and experiences emerging from the Pilots, so as to improve the UN's response to national development plans and priorities. We are placing great priority on the Triennial Comprehensive Policy Review's call for the UN to be more effective, coherent and efficient.

Evaluation

Let me turn to the important question of evaluation of the pilot experience. The Evaluability Study conducted by the UN Evaluation Group last year has provided important guidance to

the pilot countries in preparations for future evaluations. In accordance with the Triennial Comprehensive Policy Review, and in response to the desire of national governments, nationally led evaluations may be undertaken. The UNDG will draw upon the advice of the UN Evaluation Group and support those countries which wish to conduct country-level evaluations in advance of the independent evaluation.

To learn as much as possible from the pilot countries' experiences, and to assess the impact of the many innovations at the country level, we also need to move ahead to prepare for the independent evaluation of the countries as called for in the 2007 Triennial Comprehensive Policy Review.

Conclusion

In conclusion, I would like to take this opportunity to thank the Governments of the pilot countries for leading the "delivering as one" process in their countries, and for encouraging the UN development system to perform to the best of its ability in becoming more coherent, effective and efficient.

The pilots are an important achievement for UN reform. They represent a bottom-up approach which is driven and owned by the national governments involved. As a result, we are starting to see important results from a UN development system which is

working better together to support the governments and people we serve.

It is imperative that we all continue to support the pilots, and ensure their success. I am committed to that.

Thank you.