

## Informal Summary

### Operational activities segment of the ECOSOC substantive session

**Panel discussion on**  
*“Strengthening UN development system’s responsiveness  
to the different needs of programme countries*  
**New York, 10 July 2008**

Chair: H.E. Mr. Andrei Dapkiunas, ECOSOC Vice-President  
Moderator: Mr. Thomas Stelzer, Assistant Secretary-General, DESA

Panelists: H.E. Mr. Jose Luis Guterres, Vice Prime-Minister, Timor-Leste  
H.E. Mr. Rodolfo Pastor Fasquelle, Minister of Culture, Arts and Sports and  
Coordinator of the Social Cabinet, Honduras  
H. E. Mr. Henrique Banze, Deputy Minister of Foreign Affairs and  
Cooperation, Mozambique  
Mr. Jan Vandemoortele, Senior Advisor on Policy, Division on Policy and  
Practice, UNICEF

#### 1. INTRODUCTION

In his opening remarks, the Moderator noted that the 2007 Triennial Comprehensive Policy Review (TCPR) of operational activities of the United Nations development system strongly reaffirmed national ownership and leadership and reiterated that “one-size-does-not-fit-all”. He noted that the current global dynamics, such as the growing price of food and energy, climate change, natural disasters and conflict add to this imperative and that the system is called upon to adjust its support as countries’ economic and social situations evolve.

The moderator underlined that the United Nations development system is making strides in increasing coordination and coherence at country level. The Delivering as One initiative is one good example, although similar efforts are being made in other countries as will be illustrated by the panel. Finally, he suggested that the following questions be considered for discussion:

1. What are the major factors that determine the setting of the UN priorities in programme countries? What is the experience with UNDAF with respect to establishing activities aligned with the national development priorities?
2. What processes were employed that contributed to the closer alignment of the activities of the UN country team and the programme country’s needs? What are lessons learned, remaining challenges and specific recommendations on how the UN development system could adjust to countries’ needs?”
3. Is the UN development system ready to meet the increasing expectations by Member States and maximize effectiveness and impact of its support?

#### 2. PRESENTATIONS BY PANELISTS

**H.E. Mr. Jose Luis Guterres**, Vice Prime-Minister, Timor-Leste, presented the difficult situation his country is currently facing. Although the country is still facing crisis and many problems, he underlined that coordination between the government and the UN system has been

excellent. They are both committed to stabilize the country and address all aspects of development such as transportation infrastructure, education and electricity. Investment in education is needed, and Government resources would be allocated for professional training to prepare young generations for entry on the labour market. Mr. Guterres also underlined that transitioning from a post-conflict situation called for dealing with the problem of former combatants, and the Government on 15 July would start pension payments to 12,000 beneficiaries. Similarly, it would start pension payments to 70,000 to 80,000 elderly and disabled people. Particular attention has to be devoted to the issue of Internally Displaced Persons. Weekly meetings with the Secretary-General's Special Representative and meetings held with United Nations agencies had helped to find solutions acceptable to the displaced persons themselves, and Mr. Guterres hoped 80 per cent of them would return home by the end of the year.

**Mr. Henrique Banze**, Deputy Minister of Foreign Affairs and Cooperation, Mozambique, presented the outcomes of the seminar on "Delivering as one" organized in Maputo during which eight pilot countries (Albania, Cape Verde, Pakistan, Rwanda, Tanzania, Uruguay, and Vietnam) exchanged experience and lessons learned on Delivering as one. The Maputo Seminar was a dynamic process of interaction not only between the government representatives from the eight pilot countries, but also between other programme countries with similar process, as well as with the UN Country Teams.

The seminar highlighted progress achieved through the "Delivering as One" initiative. Those include: national ownership and leadership of the UN system operational activities for development at country level have been enhanced; alignment of the UN programme with national plans and strategies has increased and the principle of "No-One-Size-Fits-all" has been respected. Simplified planning processes and management practices at the country level resulted in a significant reduction of transaction costs. Greater flexibility, accountability, transparency and predictability have been achieved through the One Budget framework.

The seminar equally identified some of the major constraints and challenges that lie ahead in implementing the "Delivering as One" Initiative. These include inter-alia the lack of predictability and timelessness of funding, lack of harmonization and simplification of business practices, continued high transaction costs of the UN operational activities, poor alignment of UN capacities with the priorities of program countries, as well as low level of use of national operational capacities. To address these challenges, participants made concrete recommendations: the establishment of new national coordination structures or the improvement of existing ones; the need to focus on national capacity building; the need to provide normative and policy advice, and strategic support to poverty reduction; the necessity to make use of national operational capacities and strengthen capacities where needed at country level in consultation and coordination with national authorities of programme countries. Authority and coordination capacity of the Resident Coordinator should also be strengthened through greater delegation of authority by agencies, funds and programmes.

The seminar further recommended concrete reforms in Intergovernmental bodies and in the Chief executives Board for Coordination (CEB) at UN Headquarter to consolidate the results achieved on the ground by simplifying program approval process and harmonizing business practices. The Minister concluded that there is a need to amend or renegotiate the Standard Basic Agreements between the Governments and the UN to further reinforce and clarify responsibilities and mutual accountability.

**Mr. Rodolfo Pastor Fasquelle**, Coordinator of the Social Cabinet and Minister of Culture, Arts and Sports, Honduras, underlined that the graduation of Honduras to the new status of middle income country has had ambivalent impact as the country is now not qualified anymore to receive aid. Comparison with another Latin American country is in this regard compelling: Nicaragua has a lower income per capita but living conditions are better and the country is in better position to achieve the MDGs. The economic situation of Honduras has improved but major inequalities remain between regions and undermine development gains. Mr. Fasquelle underlined that cooperation with the UN system has been very efficient in achieving progress in social development: the second UNDAF (2007-2011) is based on a common evaluation and directly linked to the MDGs and the Poverty Reduction Strategy (PRS.) A number of Joint Programmes are designed and implemented in collaboration with the government on the basis of national priorities and the MDGS. The main challenges in going forward are : ensuring the continuity of public policies despite government changes, strengthening ownership mechanisms on development and external cooperation, better aligning development cooperation with the vision and objectives of the PRS, ensuring better consultation with intergovernmental coordination institutions on project and programmes budget and financial issues and finally, improving the democratic system to guarantee political rights of citizens which is essential to generate social inclusion and reduce inequalities.

**Mr. Jan Vandemoortele**, Senior Advisor on Policy, Division on Policy and Practice, UNICEF (Former Resident Coordinator in Pakistan), underlined that efforts to deliver as one are yielding positive results such as better coordination and stronger team spirit among UN entities and staff, better alignment with national priorities and common understanding of the need to reform. However, the speed and the efficiency of those efforts can be further improved. Reform must quicken its pace in all areas, as progress towards the four Ones is uneven with the one office objective achieving less impressive results than the other components of the DAO initiative. Business practices such as procurement, human resources, financial reporting should be unified. Another issue is fragmentation. Two steps can be taken to help overcome this issue: the principle of subsidiarity should be applied more strongly. Incentives should be adapted to allow UN staff to promote change and reform instead of focusing on agency specific interests.

### 3. DISCUSSION

Following the presentations by the panel, an interactive discussion took place between the delegates and panelists.

One of the questions raised during discussions was whether the UN system had been more responsive to programme countries' specific needs than other partners.

Some delegations pointed out that the UN system was slow to address issues of an urgent nature. It was essential that it helps anticipate future needs to better help countries prepare themselves for e.g. food crises or climate change. To ensure an appropriate response, it should also work with other institutions to develop a broad approach. In case of emergencies, there is immense pressure for supplying basic food, which should be made available in the shortest possible time. The situation of Timor Leste illustrates the importance of the UN and partners' providing support in situations of extreme vulnerability.

A delegate underlined that a country's vulnerability is not taken into account as a criteria when a country graduates to the Middle Income Countries (MICs) category. Honduras is an example: progress has been made in economic and social sector but the country is also very vulnerable particularly in the current context of global food and energy crisis. It was suggested

that ECOSOC should formulate a strategy that includes human development and vulnerability indicators, besides criteria measuring economic income.

Several delegations underlined that the implementation of the concept of Delivering as One in pilot countries is an interesting and enriching experience. The meeting in Mozambique had afforded a good opportunity for pilot countries to exchange views regarding lessons learnt. This will help designing a common and practical development strategy by the UN System. The value of the pilot countries experience is that it has shown that the United Nations can work together to implement a multidisciplinary and multisectoral approach. Now it is time for the UN agencies to implement such an approach through joint effort rather than to further discuss reform.

The CEB Interagency Cluster on Trade and Productive Capacity was presented as a good example of how UN system can work together “as one” to strengthen national capacities in a specific area, resulting in both greater effectiveness and increased efficiency. The Cluster currently includes 13 entities<sup>1</sup>. A major focus of the Cluster is ensuring that the issues related to trade and productive sectors are adequately taken into account in the Delivering as One and UN system-wide coherence processes. The Cluster ensures complementarity between the trade-related assistance provided by the Enhanced Integrated Framework for Trade related technical assistance and the UN assistance plans. It also contributes to strengthening the UN response to the "Aid for Trade" initiative.

The Organization’s country-level activities need to be implemented jointly and in a timely, efficient and coherent manner. It was acknowledged that progress has been made to increase coordination and coherence in all countries despite their differences. The pilot countries show in practical ways how the UN can work effectively together. But the UN system agencies and the Secretariat should make more efforts to match what is done at the country level through reform at the headquarters level.

There is need for greater uniformity in business practices, including communication, management, and financial systems, or else implementation will be delayed. This important challenge requires immediate attention.

It was stressed that while Delivering as One is a continuous learning process and an important initiative to carry out major reforms, it is not an end in itself and can not solve all problems. One delegate asked how far the principle of coherence should go and whether all country-level programmes should be eventually merged into one strategy, thus losing their flexibility to address changing needs and priorities.

It was underscored that the Resident Coordinator needs to be endowed with effective authority to coordinate efforts. Ownership, leadership and inclusiveness are crucial in putting in place cohesion seeking mechanisms and all partners should be involved. It was proposed to set up joint commissions to assess development achievements at the country and at the global levels, which would take into account progress in aid effectiveness and define clear deadlines.

Some delegations noted that greater attention should be devoted to bolstering national human resources. Strengthening the capacity of UN country teams through training, career management, and mobilization of expertise from the whole UN system is also key. Other areas to

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<sup>1</sup> UNCTAD, UNIDO, FAO, UNDP, WTO, ITC, the 5 UN Regional Commissions, UNEP and UNOPS

be addressed include the development of networks of experts within institutions and the use of national expertise.

National capacity-building is also essential for identifying needs, shaping policies, implementing and monitoring programmes, as well as for ensuring aid coordination, coherence and alignment with national priorities.

Some speakers stressed that the capacity to act depends on how much money is available. Under current conditions, programme countries found it difficult to address challenges facing them. The UN system needs to better support the mobilization of resources to respond to country needs by establishing attractive facilities - such as the Common Fund-. Improving aid effectiveness by strengthening system's coherence and implementing a results-based approach help mobilize resources for the UN system.

Wrapping up the discussion, ECOSOC Vice-President Ambassador Dapkiunas noted that the "Delivering as One" programme is yielding good results. At the same time, it is clear that the issue of harmonizing business practices deserves closer consideration by the Council and the wider United Nations system.